

CITY OF TUCSON ADOPTED BIENNIAL BUDGET DETAIL



Adopted Biennial Budget Detail
Fiscal Years 2005 & 2006
Volume II

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VOLUME II

OPERATING BUDGET DETAIL

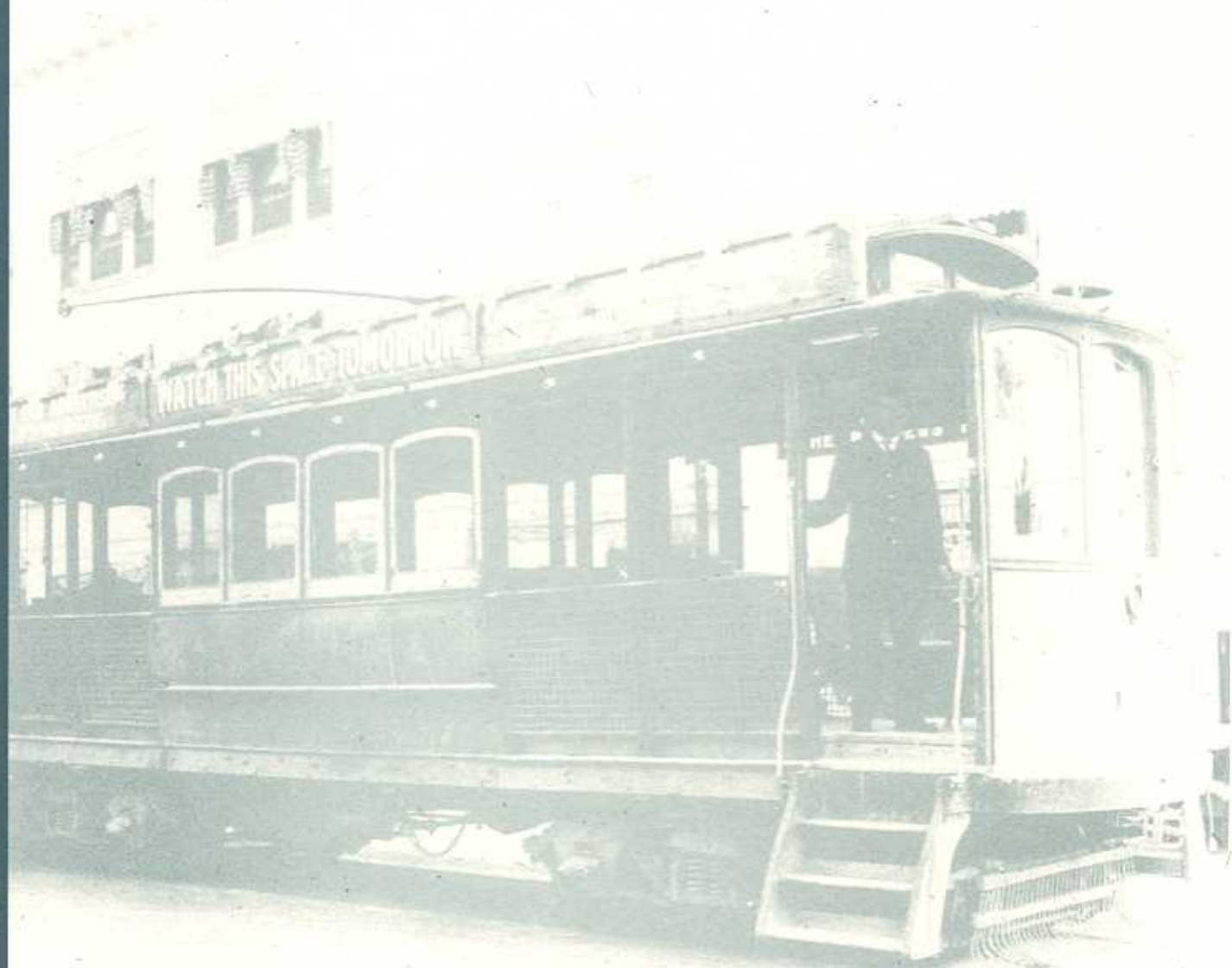
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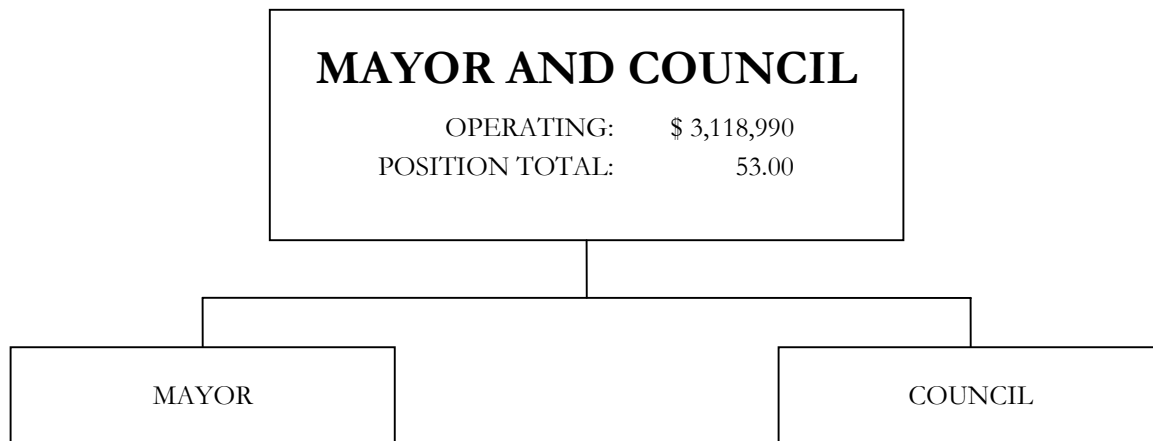
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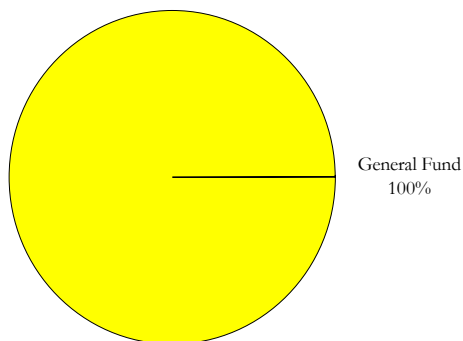
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ELECTED & OFFICIAL

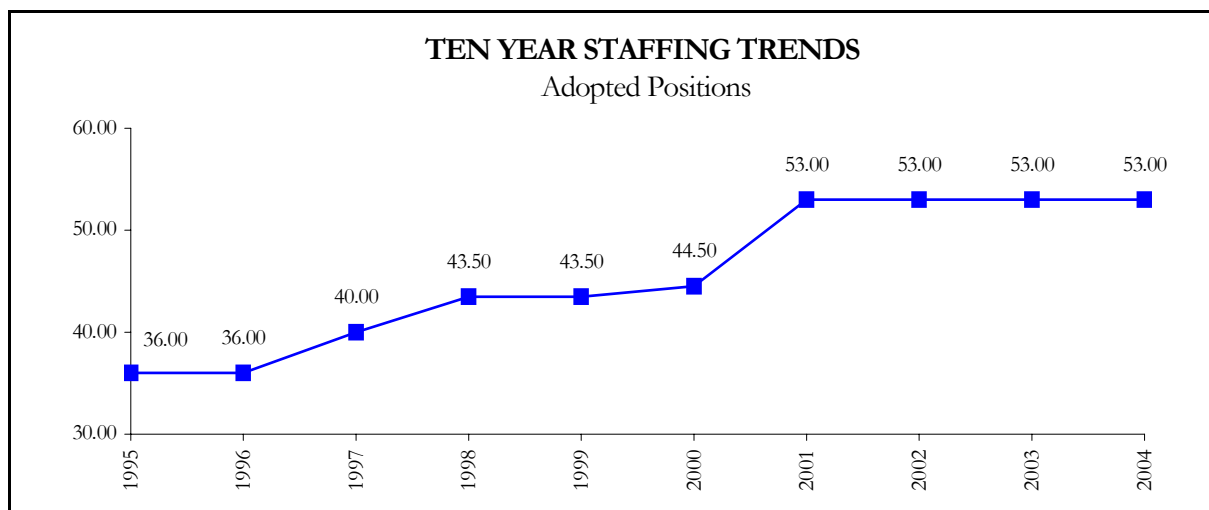
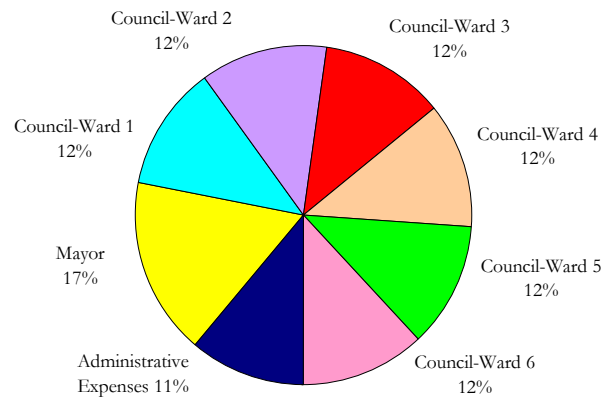




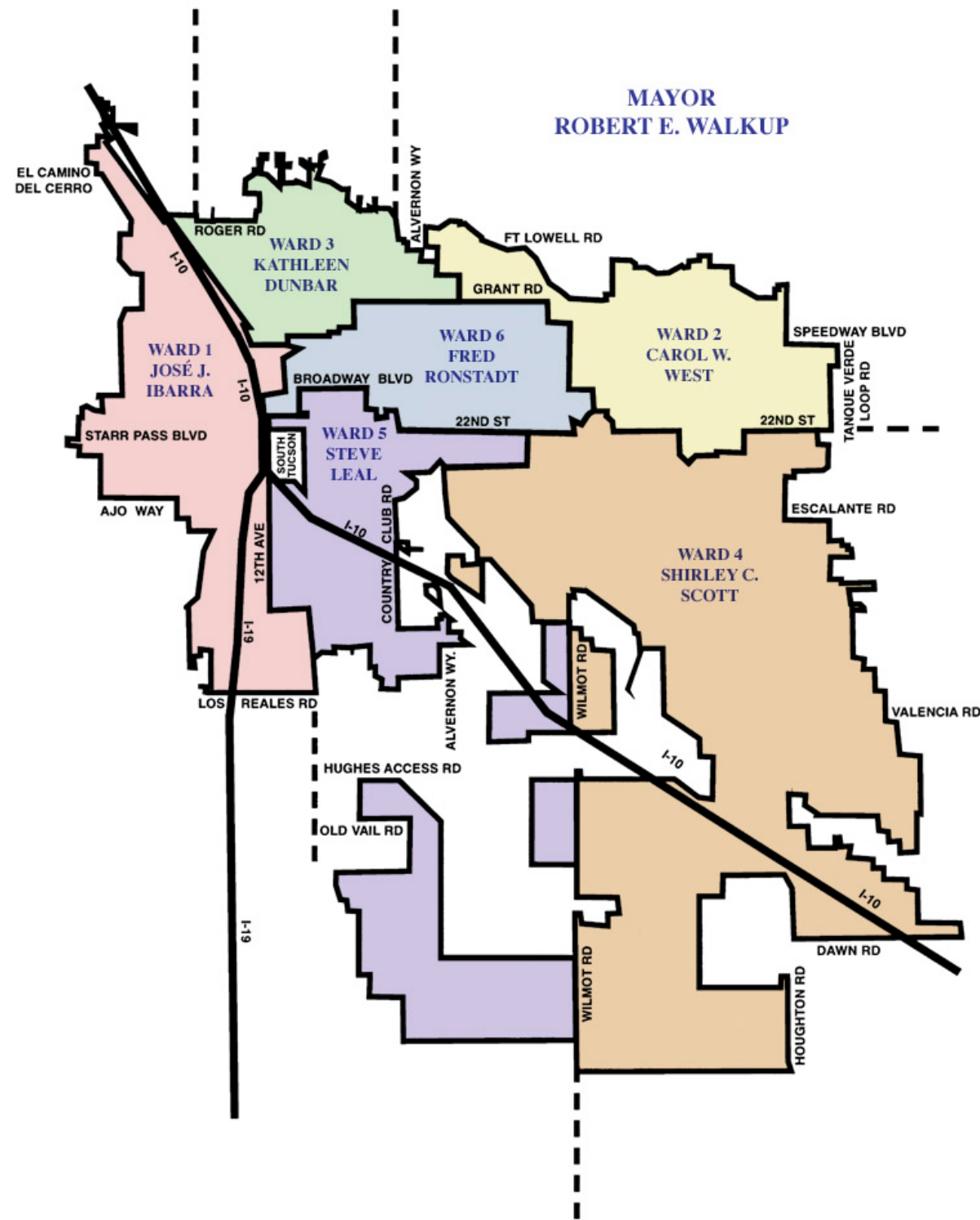
FINANCING PLAN



PROGRAM ALLOCATION



CITY OF TUCSON
WARD MAP



MAYOR AND COUNCIL

MISSION STATEMENT: To establish public policy and develop programs as mandated by the Tucson City Charter, represent community interests, and work with city management to effectively meet the community's current and long-term needs.

OVERVIEW

Tucson is a charter city with a council-manager form of government. The legislative body is comprised of an elected mayor and six council members who establish legislative policies. These policies are carried out by a city manager who is appointed by the Mayor and Council. The Mayor and Council also appoint a city attorney, a city clerk, and city magistrates.

The city is geographically divided into six wards. Each ward contains approximately 81,340 citizens who are represented by one council member. The mayor is elected at-large from the city. The Mayor's Office is located in City Hall. Council members are nominated by ward and elected at-large. Each council member has an office in the ward they represent.

MAYOR AND COUNCIL PHONE NUMBERS AND LOCATIONS

Office	Representative	Address	Phone Number
Mayor	Robert E. Walkup	255 West Alameda	791-4201
Ward 1	José J. Ibarra	940 West Alameda	791-4040
Ward 2	Carol W. West	7575 East Speedway	791-4687
Ward 3	Kathleen Dunbar	1510 East Grant Road	791-4711
Ward 4	Shirley C. Scott	8123 East Poinciana	791-3199
Ward 5	Steve Leal	4300 South Park Avenue	791-4231
Ward 6	Fred Ronstadt	2205 East Speedway	791-4601

The Mayor and Council deliberate and set policy at meetings held on Mondays (and at special meetings as designated). Public notification of meeting dates, times, and locations are provided in accordance with the State of Arizona's Open Public Meetings Law. The agendas for meetings, as well as reference documents and proposed ordinances and resolutions, may be viewed online at: www.cityoftucson.org/agdocs. Hard copies are available for public review prior to each meeting at the Office of the City Clerk, in the lobby of City Hall (255 West Alameda), and at the Government Reference Desk in the Main Library (101 North Stone Avenue). Live television coverage of Monday meetings is cablecast on Channel 12. In addition, replays of the meetings are also cablecast on Channel 12 following the Monday meetings. Information on the mayor, each council member, and past and current agendas is available on the city's Web site, www.cityoftucson.org.

There are two agendas for each council meeting: the study session agenda and the regular meeting agenda. The study session agenda provides a forum for the Mayor and Council to ask staff questions, to discuss aspects of issues facing the city, and to provide direction to staff. The regular session agenda allows the Mayor and Council to consider and enact ordinances and resolutions. Ordinances, when approved by the Mayor and Council, become the laws of the city. Routine items of business are scheduled under the heading of Consent Agenda. This agenda allows a number of regular business items to be approved by a single vote of the Mayor and Council.

MAYOR AND COUNCIL

Overview (Continued)

The Mayor and Council frequently schedule public hearings on topics of interest in order to ascertain community perspectives. Interested persons are invited to attend and offer comments. Additionally, during “Call to the Audience” on the Regular Agenda, the public is invited to speak to the Mayor and Council on any topic.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Mayor	9.50	9.50	9.50	9.50	9.50
Council-Ward 1	7.00	7.00	7.00	7.00	7.00
Council-Ward 2	7.00	7.00	7.00	7.00	7.00
Council-Ward 3	7.00	7.00	7.00	7.00	7.00
Council-Ward 4	7.00	7.00	7.00	7.00	7.00
Council-Ward 5	7.00	7.00	7.00	7.00	7.00
Council-Ward 6	7.00	7.00	7.00	7.00	7.00
Administrative Expenses	1.50	1.50	1.50	1.50	1.50
Department Total	53.00	53.00	53.00	53.00	53.00

FINANCIAL SUMMARY

Mayor	\$ 495,015	\$ 527,030	\$ 527,030	\$ 546,120	\$ 581,000
Council-Ward 1	283,824	344,990	303,990	373,180	397,980
Council-Ward 2	317,852	337,400	307,400	373,180	397,980
Council-Ward 3	290,483	312,940	302,940	373,180	397,980
Council-Ward 4	314,173	373,370	338,370	373,180	397,980
Council-Ward 5	333,676	348,770	318,770	373,180	397,980
Council-Ward 6	289,570	337,550	337,550	373,180	397,980
Administrative Expenses	148,380	162,950	132,920	333,790	342,280
Department Total	\$ 2,472,973	\$ 2,745,000	\$ 2,568,970	\$ 3,118,990	\$ 3,311,160

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
CHARACTER OF EXPENDITURES					
Personal Services	\$ 2,305,993	\$ 2,564,220	\$ 2,369,190	\$ 2,688,860	\$ 2,880,080
Services	160,183	159,500	159,500	369,740	370,690
Commodities	53,452	58,280	58,280	60,390	60,390
Equipment	7,884	-0-	-0-	-0-	-0-
Inter-Activity Transfers	(54,539)	(37,000)	(18,000)	-0-	-0-
Department Total	\$ 2,472,973	\$ 2,745,000	\$ 2,568,970	\$ 3,118,990	\$ 3,311,160

SOURCE OF FUNDS

General Fund	\$ 2,472,973	\$ 2,745,000	\$ 2,568,970	\$ 3,118,990	\$ 3,311,160
Department Total	\$ 2,472,973	\$ 2,745,000	\$ 2,568,970	\$ 3,118,990	\$ 3,311,160

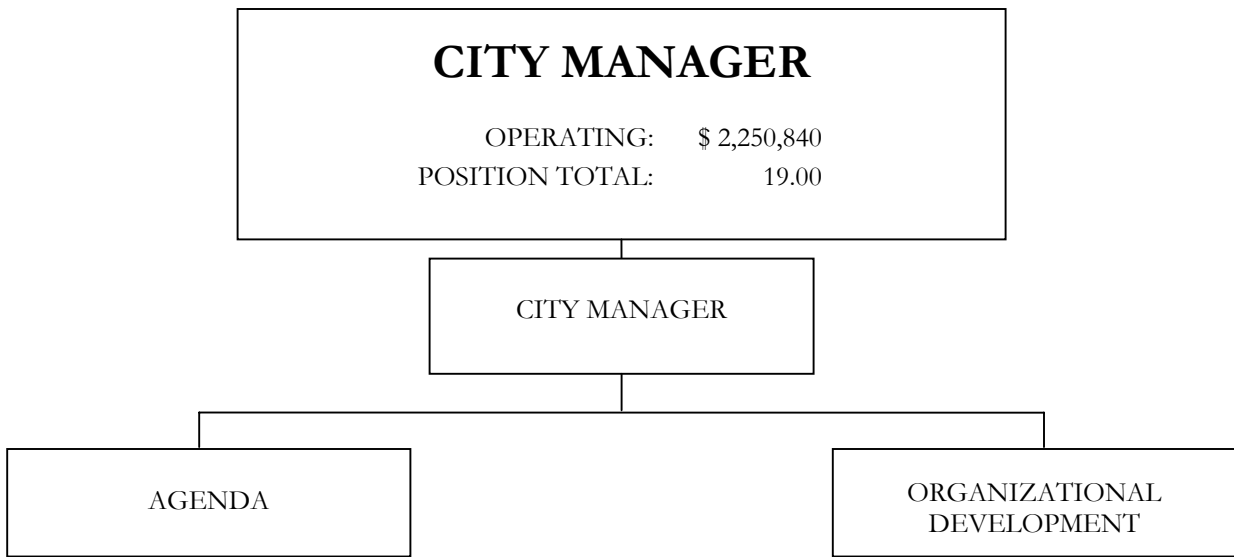
SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$3,118,990 reflects an increase of \$373,990 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance and pension increases. In addition, a change in the formula for allocating maintenance and related facility costs will result in a \$210,210 transfer from the General Services Department.

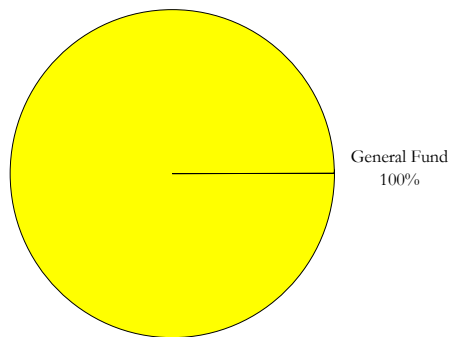
Beginning in Fiscal Year 2005, each Council Office is allocated an equal budget.

Fiscal Year 2006

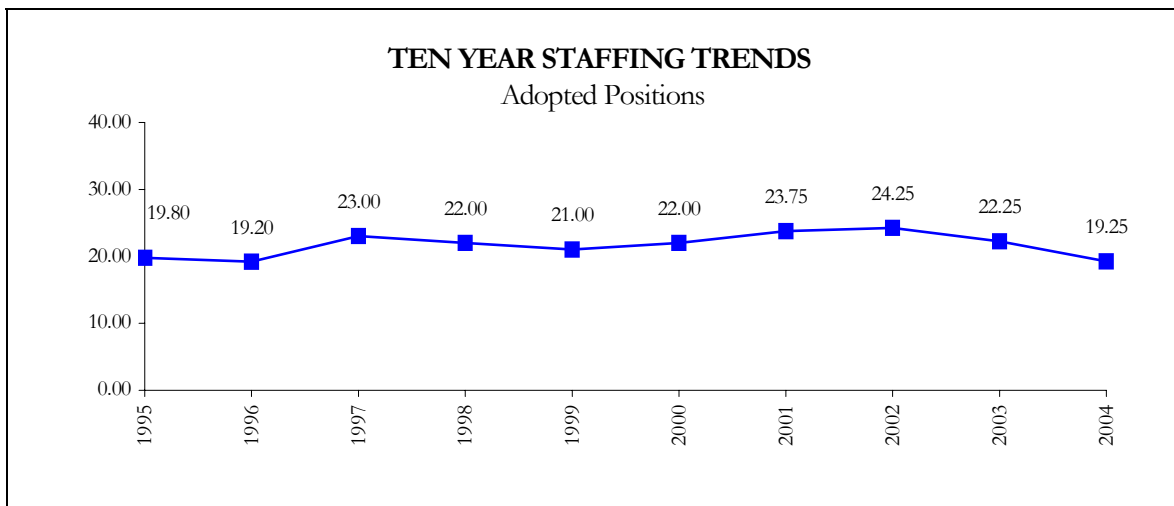
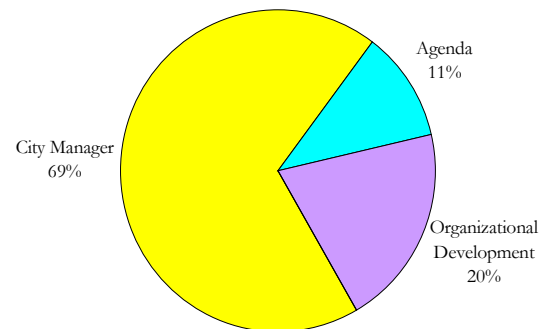
The operating budget for Fiscal Year 2006 of \$3,311,160 includes an increase of \$192,170 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance and pension increases.



FINANCING PLAN



PROGRAM ALLOCATION



CITY MANAGER

MISSION STATEMENT: To provide leadership in effectively implementing the legislative policy of the Mayor and Council; lead the development and administration of strategic plans, organizational work plans, and special programs that are aligned with priorities established by the governing body and the community; formulate and oversee the fiscal plans that allocate current and future resources in accordance with Mayor and Council direction; and systematically monitor and report on performance and progress to ensure accountability and to attain desired outcomes.

OVERVIEW

The City Manager includes three units: City Manager, Agenda, and Organizational Development (which includes strategic planning and training). In addition, the City Manager retains hiring authority for and the reporting responsibility over other budgetarily distinct units that, prior to Fiscal Year 2002, were included in the City Manager budget: Office of Equal Opportunity Programs and Independent Police Review, Intergovernmental Relations, Office of Economic Development, Tucson-Mexico Trade Office, and Zoning Examiner. Oversight of the Rio Nuevo Project is also provided by the City Manager's Office.

The city manager is aided in carrying out the responsibilities of the office by the deputy city manager, three assistant city managers, and the chief information officer, who also serves as the director of information technology.

DEPARTMENT HIGHLIGHTS

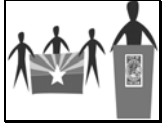
The City of Tucson has progressively moved forward in its efforts to become a more strategic, results-oriented organization with a sustainable future. The goal of the strategic approach is to become more efficient and effective in delivering quality services to residents. The City of Tucson's Strategic Plan was created to designate long term goals for the organization. The plan identifies six focus areas and the projects that are important to making progress towards those goals. These projects are inventoried in the city's annual Strategic Work Plan and database. Routine briefings on Strategic Plan progress were conducted with the Mayor and Council as well as a year-end report that detailed accomplishments in Fiscal Year 2003.

A comprehensive citywide survey was initially conducted in Fiscal Year 2001 and repeated in 2004 to assess residents' perceptions of city service delivery and quality of life in Tucson. The survey provided valuable information that will be used to make improvements to city services. It also provided a benchmark for where we stand today, an important prelude to planning effectively for the future.

A series of nine Employee Town Halls was held in the summer of 2003 that provided our workforce the opportunity of one-on-one communication with the city manager and the deputy city manager to provide feedback on the working environment and ideas and suggestions to improve the workplace and the community. A series of budget meetings was also held with employees to inform them of our fiscal status and seek their knowledgeable input. In an effort to improve communications with city employees, the city manager continues to publish a bi-weekly newsletter that provides information from the city manager's perspective on current issues and city projects. The city's employee intranet Web site continues to be upgraded to provide another avenue for information to employees.

The city manager has placed a high priority on leadership development and better communication among city management. The city's four Service Teams (Neighborhood Services, Environment and Development, Strategic Initiatives, and Support Services) meet regularly to share information, discuss strategy, and identify ways to improve coordination across departments. The city's Executive Leadership Team and Management Team also meet regularly to discuss organizational strategy, citywide projects, coordination of efforts, and ways to improve the city organization.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Engaged Community and Responsive Government

The City Manager serves as a focal point for communication and coordination to ensure alignment of Mayor and Council policies and priorities, organizational efforts, and citizen needs. Interactive support and assistance is provided by the City Manager at the weekly Mayor and Council sessions, through strategic planning meetings, individual meetings, and written communications. The City Manager leads the efforts of city department directors and managers to ensure that programs and services effectively support Mayor and Council policies and priorities through Service Teams and Work Plans.

By interacting directly with community members on a regular and systematic basis, the City Manager connects municipal government services to citizen needs. This interaction is via responses to specific inquiries, attendance at public meetings and events, through the citizen survey, and by issuing reports on the progress of city efforts.

The City Manager also uses the 17 Livable Tucson Goals to help set policy and guide city services (see Volume I, Section B).

The Agenda Office works closely with the Mayor and Council, city departments, other governmental entities, and the general public to ensure that issues, concerns, and emergencies are scheduled and publicized in a timely manner for consideration by the governing body.

Organizational Development (OD) develops improvement efforts and conducts research and analysis aimed at increasing the responsiveness of government. OD is involved in efforts such as the City Strategic Plan and the citywide resident survey that are designed to gather citizen, elected officials, and city employee input used to shape city services, improvements in customer service, and organizational efficiency.



Goal: People-Oriented Neighborhoods

The City Manager oversees the coordination and cross-departmental implementation of the General Plan that encourages human scale neighborhoods.



Goal: Efficient Use of Natural Resources

The City Manager oversees the coordination and cross-departmental implementation of the General Plan that encourages more effective design to conserve water and energy.



Goal: Protected Natural Desert Environment

The City Manager oversees the coordination and cross-departmental implementation of the General Plan that encourages preservation of open space.



Goal: Successful Downtown

The City Manager provides leadership and guidance to city programs and improvement efforts focused on downtown. City staff supports the Rio Nuevo Project under the direction of the City Manager.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
City Manager	13.25	13.25	13.25	13.00	13.00
Agenda	3.00	3.00	3.00	3.00	3.00
Organizational Development	4.00	3.00	3.00	3.00	3.00
Department Total	20.25	19.25	19.25	19.00	19.00

FINANCIAL SUMMARY

City Manager	\$ 1,436,527	\$ 1,452,010	\$ 1,383,640	\$ 1,554,770	\$ 1,659,920
Agenda	225,723	217,370	234,870	250,810	265,840
Annexation*	33,060	-0-	-0-	-0-	-0-
Organizational Development	431,801	371,390	277,090	445,260	380,140
Department Total	\$ 2,127,111	\$ 2,040,770	\$ 1,895,600	\$ 2,250,840	\$ 2,305,900

CHARACTER OF EXPENDITURES

Personal Services	\$ 1,953,999	\$ 1,841,420	\$ 1,764,160	\$ 1,900,320	\$ 2,038,380
Services	130,256	160,230	87,170	210,920	207,440
Commodities	43,037	40,120	45,270	140,570	61,020
Inter-Activity Transfers	(181)	(1,000)	(1,000)	(970)	(940)
Department Total	\$ 2,127,111	\$ 2,040,770	\$ 1,895,600	\$ 2,250,840	\$ 2,305,900

SOURCE OF FUNDS

General Fund	\$ 2,127,111	\$ 2,033,270	\$ 1,892,010	\$ 2,246,930	\$ 2,305,900
General Fund: Restricted	-0-	7,500	3,590	3,910	-0-
Department Total	\$ 2,127,111	\$ 2,040,770	\$ 1,895,600	\$ 2,250,840	\$ 2,305,900

*Annexation was transferred to Urban Planning and Design.

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$2,250,840 reflects an increase of \$210,070 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases. Other significant changes are as follows:

- ◆ Completion of acquisitions begun in Fiscal Year 2004 will be funded through an \$80,000 carryforward.
- ◆ A change in the formula for allocating maintenance and related facility costs will result in a \$53,030 transfer from the General Services Department.

CITY MANAGER

Significant Changes (Continued)

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$2,305,900 includes an increase of \$55,060 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

CITY MANAGER

MISSION STATEMENT: The City Manager provides leadership and administration for the operation of the city government, in support of direction given by the Mayor and Council and in response to community needs, employing proven public management practices and innovative methods to achieve results.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Prepare for and participate in all Mayor and Council Study Sessions, Regular Meetings, and Special Meetings, ensuring accurate communication and effective support for deliberations and setting policy.					
• Number of regularly scheduled meetings	34	36	38	37	37
• Number of special meetings	5	6	6	6	6
• Total Mayor and Council documents reviewed and officially signed by the City Manager in advance of meetings	987	1,110	1,000	1,000	1,000
• Special strategic sessions held with Mayor and Council	4	8	7	7	7
Develop and administer a biennial, bilingual citizen survey to a statistically valid sample to gather data about priorities and satisfaction with city services.					
• Number of community characteristics about which data is gathered	N/A	10	10	N/A	10
• Number of city service areas for which citizen satisfaction data is gathered	N/A	30	30	N/A	30

City Manager (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Direct the development of the city strategic plan which identifies Mayor and Council focus areas, direct the development of department work plans and key projects in line with each of the focus areas, and track performance on these projects.					
• Number of focus areas established	6	6	6	6	6
• Number of key projects tracked	101	100	100	100	100
• Number of reports issued updating Mayor and Council on progress in the focus areas	3	4	2	4	4
Hold town hall meetings with city employees to increase one-on-one communication and gather input on how to improve the City of Tucson; produce a report on the major themes.					
• Number of town halls held	9	16	10	10	10
• Number of employees participating	238	500	300	300	330

RESOURCE SUMMARY

Position Resources	13.25	13.25	13.25	13.00	13.00
Financial Resources					
General Fund	\$ 1,436,527	\$ 1,452,010	\$ 1,383,640	\$ 1,554,770	\$ 1,659,920

AGENDA

MISSION STATEMENT: Agenda schedules and distributes material to be reviewed by the Mayor and Council during council meetings and monitors follow-up action by city staff.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Develop and establish the annual Mayor and Council meeting calendar and schedule all special meetings requested in accordance with the City Charter.					
• Number of regularly scheduled meetings	34	36	38	37	37
• Number of special meetings	5	6	6	6	6
Track all actions requested or direction given by Mayor and Council to ensure timely completion by all city departments and offices.	664	680	650	650	650
Key Outcomes					
Compile and review Mayor and Council Memoranda, Communications, and related documents, and ensure the timely delivery of complete and accurate agenda packets.					
• Number of documents compiled for Regular Agenda	649	650	650	650	650
• Number of documents compiled for Study Session	338	460	400	400	400

RESOURCE SUMMARY

Position Resources	3.00	3.00	3.00	3.00	3.00
Financial Resources					
General Fund	\$ 225,723	\$ 217,370	\$ 234,870	\$ 250,810	\$ 265,840

ANNEXATION*

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	-0-	-0-	-0-	-0-	-0-
Financial Resources					
General Fund	\$ 33,060	\$ -0-	\$ -0-	\$ -0-	\$ -0-

*Annexation was transferred to Urban Planning and Design.

ORGANIZATIONAL DEVELOPMENT

MISSION STATEMENT: Organizational Development is dedicated to making the City of Tucson successfully positioned for the future by providing consultation and support services to city management and department staff on key organizational issues. Efforts are focused on strategic planning, process improvement, leadership, and team development for improved service delivery to the community.

KEY MEASURES OF PERFORMANCE

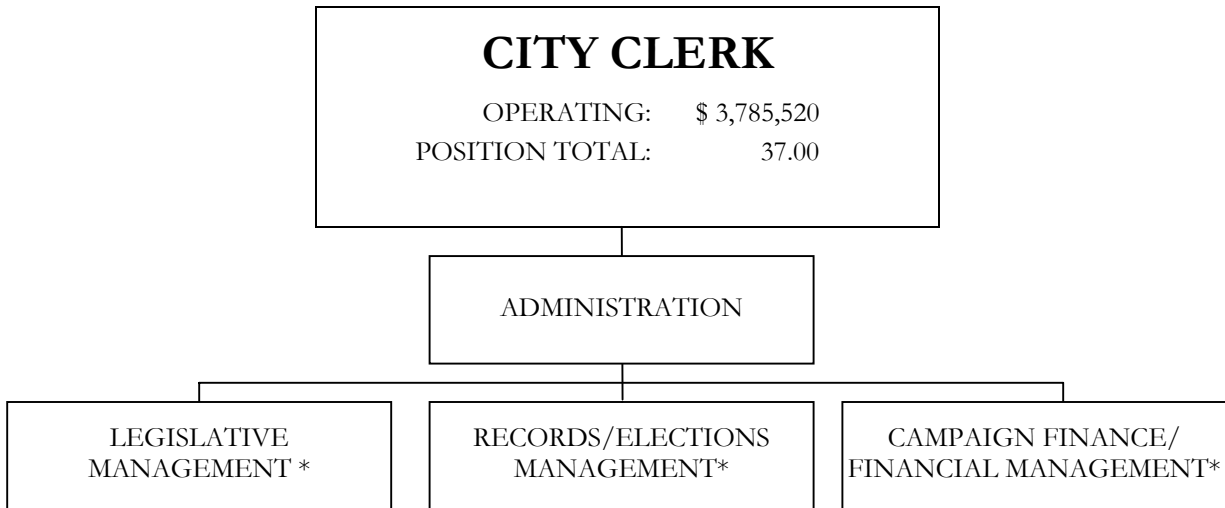
Key Outputs

Provide consultation, support, and training to executive leaders.

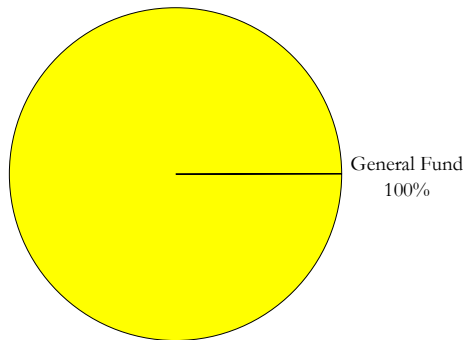
• Number of learning hours per executive	32	30	28	32	32
• Number of networking and learning sessions provided for assistant directors	1	4	2	4	4

RESOURCE SUMMARY

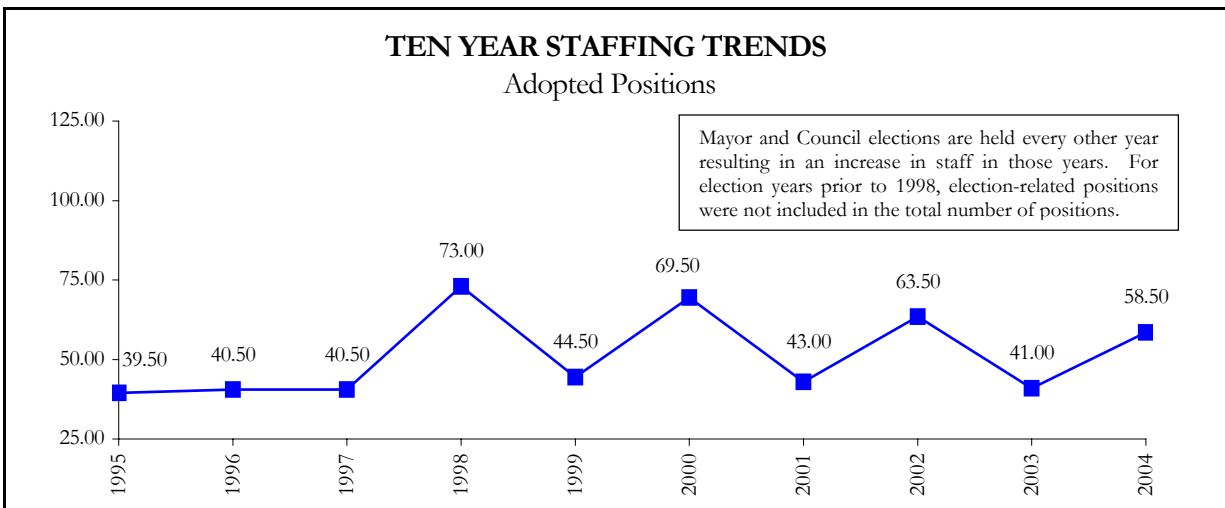
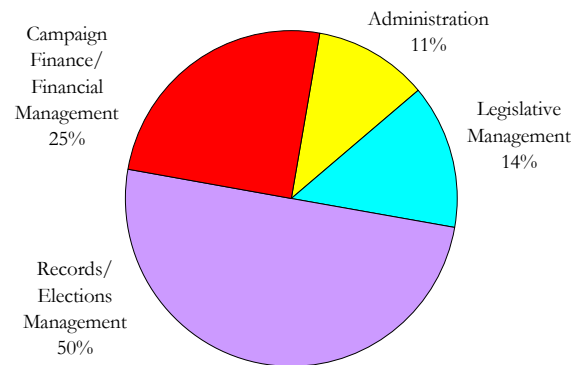
Position Resources	4.00	3.00	3.00	3.00	3.00
Financial Resources					
General Fund	\$ 431,801	\$ 363,890	\$ 273,500	\$ 441,350	\$ 380,140
General Fund: Restricted	-0-	7,500	3,590	3,910	-0-
Financial Resources Total	\$ 431,801	\$ 371,390	\$ 277,090	\$ 445,260	\$ 380,140



FINANCING PLAN



PROGRAM ALLOCATION



*Division names changed for Fiscal Year 2005.

CITY CLERK

MISSION STATEMENT: To provide administrative, clerical, and logistical support to the Mayor and Council; maintain, store, and secure all documents necessary for the effective administration and operation of municipal government; conduct regular and special municipal elections in conformance with federal, state, and city laws and procedures; and administer the City of Tucson Campaign Finance Program.

OVERVIEW

The City Clerk is responsible for providing administrative and logistical support to the Mayor and Council and the boards, commissions, and committees appointed by the governing body. The City Clerk serves as the official scribe for the Mayor and Council; ensures that Open Meeting Law requirements are met by all public bodies of the city; acts as the official records keeper for city documents; conducts municipal elections and administers the Campaign Finance Program as prescribed by the City Charter. The City Clerk is appointed by the Mayor and Council. The divisions of the City Clerk are Administration, Legislative Management, Records/Elections Management, and Campaign Finance/Financial Management.

Mayor and Council elections are held every other year, which results in a fluctuation in staffing and budget levels. Fiscal Year 2004 was an election year for Mayor, and Council Members for Wards 1, 2, and 4. In Fiscal Year 2006, elections will be held for Council Members in Wards 3, 5, and 6.

DEPARTMENT HIGHLIGHTS

The recording system in the Mayor and Council chambers was upgraded to enhance the audio system.

The City Clerk provided current election information and statistics to the public in a timely manner through the use of the city's Web page. For the first time, during the 2004 election cycle, citizens were provided the opportunity to request Early Ballots on-line. This resulted in the most early ballot requests ever in a City of Tucson election.

The City Clerk created a manual for the precinct Accu-vote units that assisted the election workers in operating the equipment and successfully transmitting results on election night. This manual was praised by the workers and is being used as a model in other jurisdictions in the State of Arizona.

A new security system was installed at the City Records Center, located at 4300 South Park, and at the City Clerk Elections/Records Facility located at 800 East 12th Street. The new system provides on-site and remote monitoring of election activities, and increases security for records stored at these facilities. In Fiscal Year 2004 the City Clerk instituted a self-service program for city departments at the City Records Center. Selected employees from various departments who require access to records on a daily basis were trained in security, retrieval, and refiling of records. This provides those departments with constant access to the City Records Center and offsets the impact that a reduction in hours due to budget cuts might have caused.

Under the administration of the City Clerk, the Human Relations Commission held the Martin Luther King Commemorative event in February 2004. A scholarship of \$2,500 was awarded. The keynote speaker was Dr. Julian Nava.

SUPPORT FOR LIVABLE TUCSON GOALS

***Goal: Engaged Community and Responsive Government***

The City Clerk works closely with both the public and city departments to provide timely notice regarding upcoming public meetings of the Mayor and Council and advisory bodies, and to properly administer Open Meeting Laws. The City Clerk provides citizens with a means to interact with elected officials and convenient access for viewing and receiving copies of public records, including the Mayor and Council's Citizen Comment Line and the Records Management Program. The City Clerk ensures that the community is afforded a fair and accurate municipal election process.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Administration	2.00	2.00	2.00	2.00	2.00
Legislative Management*	12.50	9.50	8.50	8.50	8.50
Records/Elections Management*	8.00	8.00	8.00	8.00	8.00
Campaign Finance/Financial Management*	16.00	16.00	16.00	16.00	16.00
Permanent Total	38.50	35.50	34.50	34.50	34.50
NON-PERMANENT					
Records/Elections Management*	2.50	23.00	23.00	2.50	23.00
Non-Permanent Total	2.50	23.00	23.00	2.50	23.00
Department Total	41.00	58.50	57.50	37.00	57.50

FINANCIAL SUMMARY

Administration	\$ 250,880	\$ 211,550	\$ 281,650	\$ 435,520	\$ 446,150
Legislative Management*	655,636	693,910	536,210	516,120	540,200
Records/Elections Management*	1,104,220	2,568,000	2,725,820	1,881,350	2,632,330
Campaign Finance/Financial Management*	930,602	1,220,730	888,140	952,530	1,333,480
Department Total	\$ 2,941,338	\$ 4,694,190	\$ 4,431,820	\$ 3,785,520	\$ 4,952,160

*Division names changed for Fiscal Year 2005.

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
CHARACTER OF EXPENDITURES					
Personal Services	\$ 2,484,520	\$ 2,795,100	\$ 2,795,090	\$ 2,319,670	\$ 2,901,520
Services	353,229	1,345,820	757,810	1,316,630	1,495,600
Commodities	103,589	548,270	798,920	144,220	550,040
Equipment	-0-	5,000	80,000	5,000	5,000
Department Total	\$ 2,941,338	\$ 4,694,190	\$ 4,431,820	\$ 3,785,520	\$ 4,952,160

SOURCE OF FUNDS

General Fund	\$ 2,941,338	\$ 4,694,190	\$ 4,431,820	\$ 3,785,520	\$ 4,952,160
Department Total	\$ 2,941,338	\$ 4,694,190	\$ 4,431,820	\$ 3,785,520	\$ 4,952,160

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$3,785,520 reflects a decrease of \$908,670 from the Fiscal Year 2004 Adopted Budget. Fiscal Year 2005 is not a regularly scheduled election year and \$1.4 million budgeted in Fiscal Year 2004 for mayor and council office elections will not be required. There is funding for a bond election anticipated for May 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance and pension increases.

- ◆ A change in the formula for allocating maintenance and related facility costs will result in a \$167,710 transfer from the General Services Department.
- ◆ Completion of projects and acquisitions begun in Fiscal Year 2004 will be funded through a \$140,000 carryforward.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$4,952,160 reflects an increase of \$1,166,640 with the majority of the increase due to the conduct of regularly scheduled elections involving three council seats. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance and pension increases.

ADMINISTRATION

MISSION STATEMENT: The Administration Division provides administrative direction to the department, monitors budget expenditures, and ensures that all department programs are delivered as required by law and in accordance with City of Tucson policies and procedures.

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	2.00	2.00	2.00	2.00	2.00
Financial Resources					
General Fund	\$ 250,880	\$ 211,550	\$ 281,650	\$ 435,520	\$ 446,150

LEGISLATIVE MANAGEMENT

MISSION STATEMENT: The Legislative Management Division provides administrative direction to the department, accurately records, transcribes, and distributes the minutes and attendant documents for Mayor and Council and other public meetings. The division provides staff support for all meetings of the Mayor and Council's boards, commissions, and committees as legally required.

KEY MEASURES OF PERFORMANCE**Key Outputs**

Respond to requests for assistance and information from the Mayor and Council and City Manager.

- Number of requests completed 43 45 43 50 45

Ensure Open Meeting Law requirements are met for Mayor and Council meetings and meetings of boards, committees, and commissions.

- Number of meeting notices and agendas posted within required time frames 1,640 1,620 1,620 1,640 1,620

Attend and act as the official scribe at the Mayor and Council meetings.

- Number of regularly scheduled meetings 36 36 38 37 37
- Number of special meetings 6 6 6 6 6

Publish all legal advertisements for Mayor and Council public hearings, ordinances, and resolutions as required.

- Number of legal advertisements published 178 175 165 180 165

Legislative Management (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Complete minutes and special verbatim transcripts of Mayor and Council meetings and for boards, commissions, and committees meetings.					
• Number of Mayor and Council meetings transcribed	59	70	65	65	65
• Number of boards, commissions and committees meetings transcribed	98	267	98	98	98

Key Outcomes

Complete activities in accordance with established guidelines.

• Percent of requests from Mayor and Council or City Manager completed in a timely manner	100%	100%	100%	100%	100%
• Percent of mandated meeting requirements met	100%	100%	100%	100%	100%

RESOURCE SUMMARY

Position Resources	12.50	9.50	8.50	8.50	8.50
Financial Resources					
General Fund	\$ 655,636	\$ 693,910	\$ 536,210	\$ 516,120	\$ 540,200

RECORDS/ELECTIONS MANAGEMENT

MISSION STATEMENT: The Records/Elections Management Division stores, secures, and retrieves city documents in a systematic and accessible manner, and provides documentary information and other services requested by city staff and the public in a timely manner and in accordance with legal requirements. The division also ensures that elections are conducted in accordance with legal requirements and established policies and procedures, encouraging maximum voter participation.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Process and file official city documents received as public record in accordance with city and state law within 30 days of receipt.					
• Number of documents processed and filed	17,000	18,500	17,500	18,000	17,500
Process citizen and staff requests for information.					
• Number of requests processed	20,000	22,000	20,000	18,000	18,000
Process and store records received at the Records Center within one week of receipt from city departments.					
• Volume of records (cubic feet)	1,800	1,400	1,400	1,800	1,400
Update voter registration statistics and boundary line changes on posted ward maps within 30 days of effective date.					
• Number of updates completed	8	8	8	8	8
Key Outcomes					
Maintain the percentage of utilized storage space for inactive records at the Records Center.	100%	100%	100%	100%	100%
Archive and maintain public documents to ensure accessibility to the public and staff.	100%	100%	100%	100%	100%
Ensure that all registered voters receive information and instructions regarding the election process.	100%	100%	100%	100%	100%

Records/Elections Management (Continued)**RESOURCE SUMMARY**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	10.50	31.00	31.00	10.50	31.00
Financial Resources					
General Fund	\$ 1,104,220	\$ 2,568,000	\$ 2,725,820	\$ 1,881,350	\$ 2,632,330

CAMPAIGN FINANCE/FINANCIAL MANAGEMENT

MISSION STATEMENT: The Campaign Finance/Financial Management Division provides financial direction to the department and the Mayor and Council offices, monitors budget expenditures, and administers the Election Campaign Account to ensure that public funds are distributed in accordance with the provisions of the Tucson City Charter.

KEY MEASURES OF PERFORMANCE**Key Outputs**

Complete tasks associated with the Campaign Finance Program within established guidelines.

• Number of mayoral and council candidate campaign finance reports reviewed and processed	75	68	58	8	48
• Number of audits completed	2	24	14	2	14
• Number of seminars conducted	2	1	1	2	1
• Number of requests for public matching funds processed	N/A	N/A	17	3	21

Update Campaign Finance Software created by the City Clerk to assist candidates and treasurers with report filing pursuant to state law and the City Charter.

• Number of updates completed	N/A	N/A	2	2	2
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Provide mandated voter information/publicity pamphlets to registered households within time frame set by state law.

• Number of voter pamphlets distributed to 180,000 registered households	N/A	N/A	2	1	2
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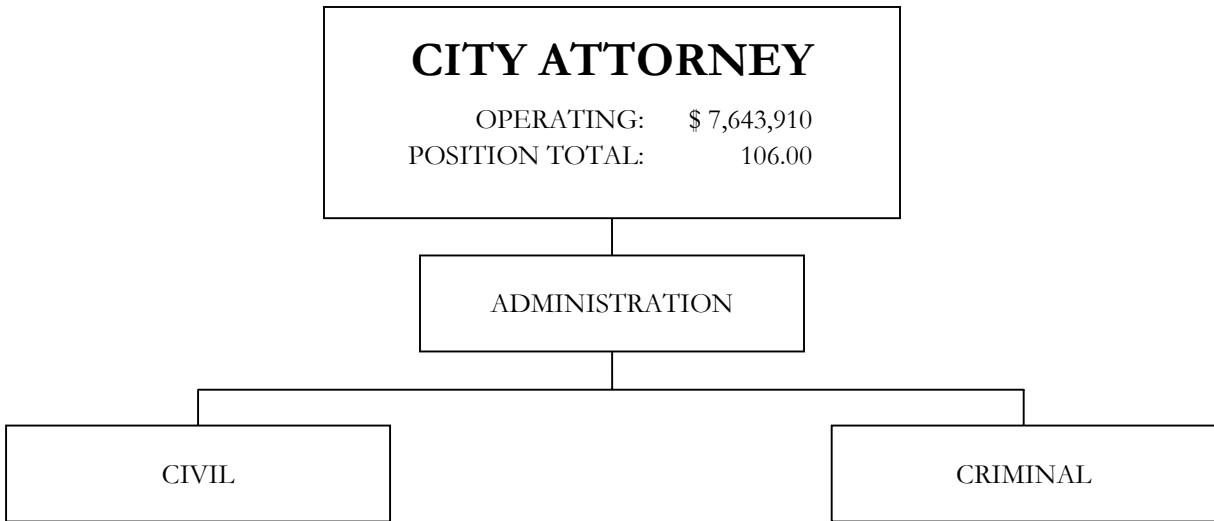
Campaign Finance/Financial Management (Continued)

KEY MEASURES OF PERFORMANCE

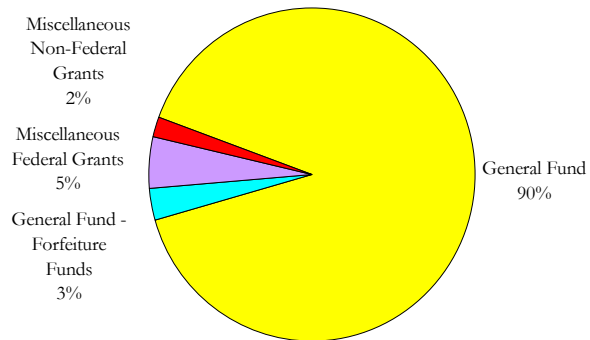
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outcomes					
Ensure that all registered voters receive information and instructions regarding the election process.	100%	100%	100%	100%	100%
Ensure that all candidates are notified of changes to laws, procedures and filing deadlines within established timelines.	N/A	N/A	100%	100%	100%

RESOURCE SUMMARY

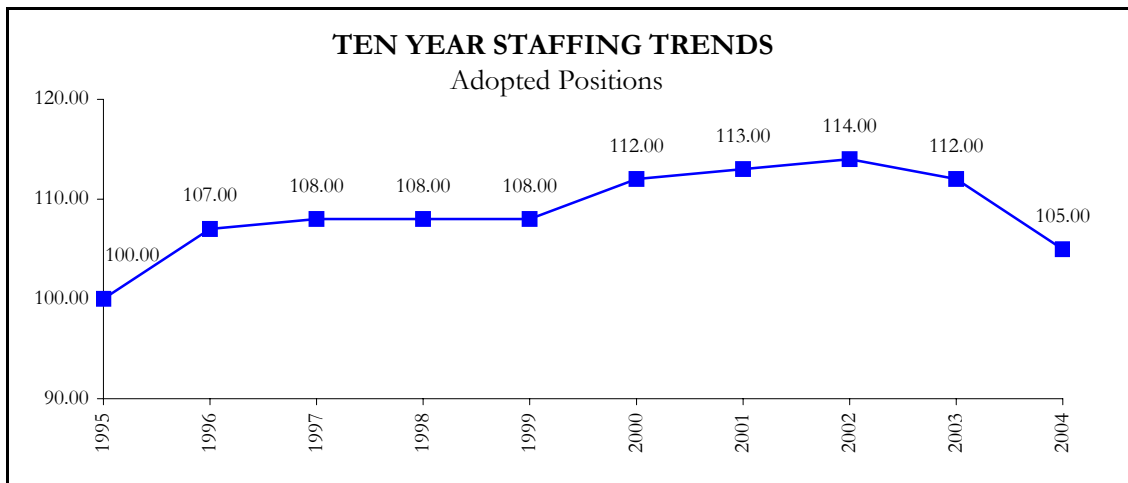
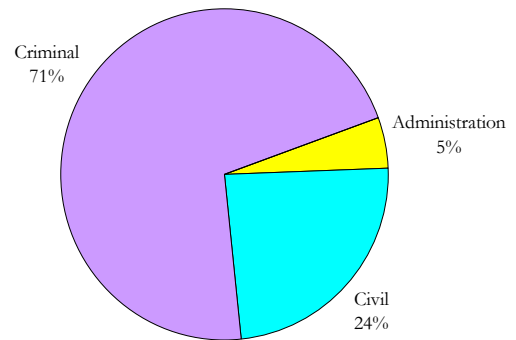
Position Resources	16.00	16.00	16.00	16.00	16.00
Financial Resources					
General Fund	\$ 930,602	\$ 1,220,730	\$ 888,140	\$ 952,530	\$ 1,333,480



FINANCING PLAN



PROGRAM ALLOCATION



CITY ATTORNEY

MISSION STATEMENT: To ensure the legality of the official business of the City of Tucson by providing sound legal advice; represent the city in all legal proceedings and administrative matters involving issues of law; and ensure the safety of Tucson's citizens by enforcing criminal state statutes and local ordinances.

OVERVIEW

The City Attorney's Office consists of the Administration, Civil, and Criminal Divisions. The Civil Division provides legal advice and representation to the Mayor and Council, the City Manager, and all city departments. The division helps to ensure the lawfulness of the official business of the city and, when possible, avoid litigation. The Civil Division represents the city in administrative proceedings and litigation before federal and state courts.

The Criminal Division prosecutes, on behalf of the city and in the name of the state, all criminal and civil cases within the jurisdiction of City Court. The division uses civil remedies available in Pima County Superior Court such as the Crime Property Abatement statute to address regularly occurring criminal activity. The division provides notice to both state-mandated and non-mandated crime victims.

DEPARTMENT HIGHLIGHTS

The City Attorney's Office is at the forefront of a variety of issues of vital importance to the city as well as to cities across the state. These include the development of the Rio Nuevo downtown district; compliance with the Endangered Species Act and other environmental laws; maintaining the integration of city boundaries through enforcement of municipal incorporation statutes; addressing the real estate and environmental issues associated with the development of the Clearwater Renewable Resource Facility; and the licensing and franchising of electric utility, gas utility, and fiber optic telecommunications to protect the interests of the city and the citizens due to changes resulting from the new competitive environment.

Through development and enforcement of planning and zoning ordinances, the City Attorney's Office continues to assist in the protection of neighborhoods throughout the city from incompatible land uses. The City Attorney's Office successfully defended the rights of advisory board members to pursue complaints to the Mayor and Council. The City Attorney's Office also successfully defended the city in a case brought to delay the funding and construction of the Lalo Guerrero Barrio Viejo residential housing project for the elderly. The project received approximately \$4 million from the federal government for construction and is now complete and occupied. The City Attorney's Office helped negotiate the amendments to over a dozen governing documents for the transfer of the master development of Civano from Fannie Mae to Pulte Homes for the development of the second and third phases of Civano.

The City Attorney's Office is a leading participant in the city's Slum Abatement and Blight Enforcement Response (SABER) project. SABER is a multi-departmental effort to identify and eliminate slum housing and to curb the spread of urban blight. In its role with SABER, the City Attorney's Office prosecutes slumlords for code violations; represents the city in all related and quasi-judicial court proceedings, including appeals; assists inspectors in obtaining inspection warrants and in designating slumlords; and drafts code provisions aimed at reducing or eliminating blighted conditions. The code revisions drafted by the City Attorney's Office culminated in February 2002 with the Council's adoption of a new Chapter of the Tucson Code, the Neighborhood Preservation Ordinance (NPO), which provides powerful and coherent legislation for the elimination of blight. In several recent prosecutions under the NPO, attorneys in the Criminal Division of the City Attorney's Office have obtained court orders directing property owners to abate blighted properties and imposing fines approaching \$10,000.

As legal counsel to the Tucson Water Department, the City Attorney's Office has assisted in drafting an agreement for managed recharge in the Santa Cruz River that will augment the city's water supplies, and has drafted contracts for the purchase of two additional water companies within or adjacent to Tucson Water's service area.

Department Highlight (Continued)

The City Attorney's Office settled the Speedway Landfill litigation, paving the way for closure of the city's Vincent Mullins Landfill and freeing the property for public use.

The city has successfully defended its telecommunications tax against a federal court challenge by Qwest that the tax constituted an improper charge for use of the rights-of-way. The United States District Court ruled last summer that the taxes are lawful under the Federal Telecommunications Act.

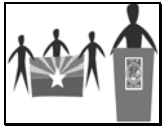
The Internal Litigation Unit's defense of the city against claims and lawsuits during Fiscal Year 2003 resulted in \$5,741,558 in savings for the city.

The Criminal Division achieved favorable results in a number of diverse and widely publicized cases ranging from the prosecution of a celebrity for Driving Under the Influence (DUI), the prosecution of five persons for failing to report the death of a fellow cult member, to the prosecution of bicycle activists who intentionally impeded the flow of vehicular traffic.

The Criminal Division also achieved favorable results in a number of less well publicized cases including a published Court of Appeals decision denying the right to jury trial for civil infraction violations in the Speedway Landfill Case.

SUPPORT FOR LIVABLE TUCSON GOALS

The City Attorney's Office assists all city departments in achieving Livable Tucson Goals by providing necessary and essential legal services.



Goal: Engaged Community and Responsive Government

City legal staff attended meetings with residents near the Speedway Landfill to explain legal issues associated with the litigation and closure of landfills. City legal staff also participated in a series of meetings with various stakeholder groups, which were held to discuss the proposed streamlining of Land Use Code procedures.



Goal: Safe Neighborhoods

The Neighborhood Prosecution Team (NPT) within the Criminal Division works to reduce criminal activity and promote safety in neighborhoods. NPT attorneys prosecute such diverse matters as nuisance abatement, unruly gatherings, excessive noise, prostitution, drug offenses, graffiti, and liquor infractions. The NPT partners with the Tucson Police Department, the Arizona Department of Liquor Licenses and Control, and neighborhood groups to prosecute problem bars and illegal after-hours clubs. The NPT helps neighborhoods in their efforts to eliminate prostitution, and in the past year prosecuted more than 352 prostitution cases, with an 89% conviction rate, and helped create the Tucson Johns Web site, which posts the photos and names of persons who have been convicted of soliciting prostitutes. The NPT's area restriction program, which produces court orders prohibiting convicted offenders from returning to the location of their crimes, protects neighborhood safety and aids law enforcement by keeping prostitutes, drug dealers, and other criminals out of the victimized neighborhood. The NPT obtained area restrictions in excess of 300 cases where the offense occurred in a neighborhood park or other public place, such as the Fourth Avenue business district. The NPT continues to resolve scores of other neighborhood complaints through intervention and mediation without filing civil or criminal charges.

Support for Livable Tucson Goals (Continued)

Safe Neighborhoods (Continued)

The NPT also prosecutes cases generated through the SABER program in order to improve the safety of neighborhoods by obtaining court orders directing the abatement of slum properties and other blighting conditions. In a case involving a historic district property on the eastside, the NPT successfully prosecuted dozens of code violations and secured the imposition of \$9,500 in fines. On the southwest side, the prosecution of numerous code violations resulted in the removal of a hazardous junk pile at a residential property across the street from a public school. The successful prosecution of a public nuisance case involving a residence on the southside converted the property from a gathering spot for drinking, drug and prostitution activity to a cleaned, marketed and sold residential property. In midtown, the NPT responded to the complaints of an elementary school about the condition of a neighboring property and the safety risks posed to children nearby. At a property on East Waverly, the NPT worked with the police and neighbors to curtail the recurring criminal activity on the premises. On East Speedway, the NPT secured an agreement for \$20,000 in facility improvements to mitigate noise that had created a neighborhood nuisance and generated litigation that had spanned many years.

The City Attorney's Office provides two attorneys as legal advisors to the Tucson Police Department (TPD). The legal advisors ensure that TPD members are provided with complete and up-to-date training concerning changes in the law, and frequently act as liaisons between TPD and other government agencies to assist in resolving neighborhood and community wide concerns.

The Criminal Division co-chairs the Tucson/Pima County Anti-Hate Crimes Task Force, a collaborative effort by the city, county, and state law enforcement and prosecuting agencies, local governments, school districts, community organizations, and the business community to encourage awareness and prevention of acts of violence or intimidation directed against people or property based on race, color, creed, religion, national origin, gender, age, and sexual preference.



Goal: Caring, Healthy Families and Youth

One of the principal goals of the Criminal Division is to protect men, women, and children against domestic violence and to promote safe family environments. The division's efforts are aimed at several populations:

Children. The Serious Victims Crime Unit prosecutes cases involving child abuse and neglect, aggravated assault on a child, contributing to the delinquency of a minor, serious assaults, and repetitive cases of domestic violence. Adults are held accountable for their acts of neglect and violence and referred to appropriate counseling and parenting classes.

The elderly. The Criminal Division continues to place emphasis on prosecution of domestic violence committed against the elderly. Together with the Arizona Department of Economic Security Adult Protective Services, prosecutors regularly train paramedics, fire personnel, and hospital and emergency room staff to identify signs of abuse and to refer to appropriate law enforcement agencies for investigation.

Same sex domestic relationships. The Criminal Division participates on local and statewide committees to implement recent legislative changes, which protect persons living in same sex relationships from domestic violence. The Civil Division assisted the Gay, Lesbian, Bisexual, Transgender (GLBT) Commission enact the first Domestic Registry in the state.

Support for Livable Tucson Goals (Continued)

Caring, Healthy Families and Youth (Continued)

The chronically mentally ill. In concert with Tucson City Court, the Community Partnership of Southern Arizona, and the Office of the Public Defender, the Criminal Division offers deferred prosecution to those defendants who are chronically mentally ill. The Mental Health Diversion Program provides a more appropriate response to misdemeanor crimes committed by the non-dangerous, chronically mentally ill than can be provided through standard prosecution.

Victims of crimes involving physical injury, threat of physical injury, and sexual offense. The Criminal Division's Victim Assistance Unit protects the rights of victims by ensuring that victims receive timely information about their rights, legal options, and court procedure. Victim assistants are available when needed to give victims personal assistance, accompany them to court, and give them information about other resources within the community. Prosecutors provide vertical prosecution of victim cases whenever possible, provide victims the opportunity to provide meaningful input into the case, and seek sentences that hold persons accountable for their actions.



Goal: Protected Natural Desert Environment

The City Attorney's Office and the Tucson Water Department are actively engaged in efforts to coordinate with Pima County and other area towns to develop and implement a habitat conservation plan for the preservation of endangered species habitat and the mitigation of development effects on endangered species. This office has been instrumental in the development of a cooperative agreement between the city and the Audubon Society, under which the society will seek funding to rehabilitate retired farmland in Avra Valley that lies along the Santa Cruz River Corridor. The City Attorney's Office is also involved with the Sweetwater Wetlands project, which uses natural wetlands to filter and improve the quality of sewage effluent that is reused for turf irrigation. The City Attorney's Office is assisting in the city's efforts to rehabilitate the Santa Cruz River in cooperation with Pima County, the Town of Marana, and the United States Army Corps of Engineers.

In addition, the City Attorney's office assisted in clearing legal hurdles to bioremediation of landfills.

The Criminal Division works with Floodplain Engineering to protect our flood banks by prosecuting persons who dump debris into our desert washes thereby altering, to the detriment of the community, the natural existing water course.



Goal: Clean Air and Quality Water

Legal staff is working towards achieving meaningful standards for the city's stormwater discharge. The City Attorney's Office is also working for the preservation of Lakeside Lake.



Goal: Successful Downtown

The City Attorney's Office works with other city departments and divisions, most notably the Río Nuevo Office, to facilitate the revitalization of downtown Tucson. The City Attorney's Office has assisted in the creation of solicitations for downtown investment, such as the West Congress Street residential project and the Thrifty Block redevelopment that will result in new residential and commercial development in downtown. The City Attorney's Office also has helped negotiate and execute development agreements for downtown redevelopment, including the construction of a new Pennington Street parking garage and the rehabilitation of the Historic Fox Theatre. The City Attorney's Office has worked with the Community Services Department to prepare a HOPE VI grant application and draft development agreement in conjunction with the redevelopment and rehabilitation of the Martin Luther King/Depot Plaza site on the east side of the downtown.

Support for Livable Tucson Goals (Continued)

**Goal: Organizational Support**

The City Attorney's Office provides both routine and complex legal advice to Mayor and Council, the City Manager, and all city departments. Recent examples include support for the Rio Nuevo downtown development project and conformance with state and federal laws concerning environmental issues, protection of historic neighborhoods, advice to city departments to ensure compliance with labor and employment laws and on-going legal support on managing personnel issues for a workforce of approximately 6,000 employees. Additional responsibilities include ensuring the legality of the official business of the city and overseeing the preparation of all resolutions and ordinances taken before the Mayor and Council.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Administration	2.00	2.00	3.00	3.00	3.00
Civil	27.00	27.00	26.00	26.00	26.00
Criminal	76.00	76.00	76.00	77.00	77.00
Consumer Affairs	7.00	-0-	-0-	-0-	-0-
Department Total	112.00	105.00	105.00	106.00	106.00

FINANCIAL SUMMARY

Administration	\$ 274,161	\$ 261,770	\$ 328,780	\$ 388,280	\$ 403,090
Civil	1,593,609	1,722,740	1,467,750	1,796,360	1,911,820
Criminal	4,545,669	5,097,540	4,959,710	5,459,270	5,791,960
Consumer Affairs	421,203	-0-	-0-	-0-	-0-
Department Total	\$ 6,834,642	\$ 7,082,050	\$ 6,756,240	\$ 7,643,910	\$ 8,106,870

CHARACTER OF EXPENDITURES

Personal Services	\$ 6,454,576	\$ 6,682,400	\$ 6,413,740	\$ 7,191,810	\$ 7,701,060
Services	554,277	549,090	475,960	556,100	578,890
Commodities	162,470	199,410	157,930	215,070	200,070
Equipment	11,796	-0-	-0-	25,000	-0-
Inter-Activity Transfers	(348,477)	(348,850)	(291,390)	(344,070)	(373,150)
Department Total	\$ 6,834,642	\$ 7,082,050	\$ 6,756,240	\$ 7,643,910	\$ 8,106,870

SOURCE OF FUNDS

General Fund	\$ 6,449,341	\$ 6,354,670	\$ 6,267,440	\$ 6,917,470	\$ 7,341,720
General Fund: Forfeiture Funds	54,697	210,010	129,810	210,010	210,010
Miscellaneous Federal Grants	259,038	383,980	266,980	378,130	409,560
Miscellaneous Non-Federal Grants	71,566	133,390	92,010	138,300	145,580
Department Total	\$ 6,834,642	\$ 7,082,050	\$ 6,756,240	\$ 7,643,910	\$ 8,106,870

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$7,643,910 reflects an increase of \$561,860 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases. Other significant changes are as follows:

- ◆ A change in the formula for allocating maintenance and related facility costs will result in a \$62,710 transfer from the General Services Department.
- ◆ In response to state mandates, \$52,210 for one court clerk have been added to the budget.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$8,106,870 includes an increase of \$462,960 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

ADMINISTRATION

MISSION STATEMENT: The Administration Division ensures the legality of the official business of the City of Tucson by providing professional leadership, guidance, and support to the City Attorney's Office and by providing legal advice to Mayor and Council.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Monitor responses to requests from the Mayor and Council, the City Manager, and city departments for legal advice.					
• Number of legal opinions	127	206	132	136	140
• Number of responses to daily requests for legal advice	11,840	11,963	12,255	12,684	13,128
Advise the Mayor and Council during Mayor and Council meetings.					
• Number of regularly scheduled meetings	36	36	30	36	35
• Number of special meetings	3	6	4	6	5
Monitor prosecution of misdemeanor cases to ensure fair treatment of defendants, compliance with victims' rights, professionalism of staff, and efficiency of procedures.					
• Number of cases prosecuted	54,444	56,000	56,350	58,323	60,365

Administration (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outcomes					
Provide the Mayor and Council, the City Manager, and city departments with professional advice and responses in regard to legal issues.					
• Percent completed in a timely manner	95%	95%	95%	95%	95%
Obtain, through the provision of legal advice, satisfaction with the City Attorney's Office by the Mayor and Council, the City Manager, and department heads.					
• Percent expressing satisfaction during periodic surveys and meetings	95%	95%	95%	95%	95%
Obtain, through the provision of services, satisfaction with the Criminal Division by victims, judges, and police enforcement agents.					
• Percent expressing satisfaction during periodic survey meetings/audits	84%	85%	85%	85%	85%

RESOURCE SUMMARY

Position Resources	2.00	2.00	3.00	3.00	3.00
Financial Resources					
General Fund	\$ 274,161	\$ 261,770	\$ 328,780	\$ 388,280	\$ 403,090

CIVIL

MISSION STATEMENT: The Civil Division provides legal advice and representation to the Mayor and Council, the City Manager, and all city departments, and serves as the city representative in courts of law and administrative proceedings (including personal injury, contracts, employment, environment and land use, and misconduct) in order to ensure the legality of the official business of the City of Tucson and avert litigation contrary to the city's interest for all civil cases.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Control litigation of all active civil cases involving the city during the year.	130	134	135	140	144
Actively defend in-house wrongful act litigation cases against the city.	31	43	41	43	45
Monitor bankruptcy and garnishment cases to protect public resources.	445	388	400	414	429
Provide legal review of all city contracts and foreclosure actions to protect the public resources.	927	1,006	930	962	995
Represent and respond to all requests from city departments on personnel matters to ensure the integrity and accountability of city employees and to lessen and/or control potential liability to the city resulting from employee lawsuits.	1,480	1,610	1,500	1,552	1,606
Respond to requests from Mayor and Council, the City Manager, and city departments for legal advice.					
• Number of legal opinions	127	206	132	136	140
• Number of responses to requests for legal advice on daily operational issues	11,840	11,963	12,255	12,684	13,128
Key Outcomes					
Maximize amount of money saved through settlement or litigation (\$000s).	\$ 5,742	\$ 2,700	\$ 5,915	\$ 6,092	\$ 6,275

Civil (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Produce favorable civil case outcomes for the city					
• Number of civil cases with favorable outcomes (less than estimated exposure)	32	40	35	37	39
• Percent of cases with favorable outcomes	98%	95%	95%	95%	95%
• Number of city departments' disciplinary action cases before the Civil Service Commission	7	8	8	8	8
• Percent of cases sustained	90%	95%	95%	95%	95%
• Number of cases before Administrative Proceeding Offices (disciplinary actions and Liquor Board hearings)	23	35	28	28	28
• Percent of cases sustained	95%	95%	95%	95%	95%
Provide Mayor and Council, the City Manager, and city departments professional advice and responses in regard to legal issues.					
• Percent completed in a timely manner	95%	95%	95%	95%	95%

RESOURCE SUMMARY

Position Resources	27.00	27.00	26.00	26.00	26.00
Financial Resources					
General Fund	\$ 1,593,609	\$ 1,722,740	\$ 1,467,750	\$ 1,796,360	\$ 1,911,820

CRIMINAL

MISSION STATEMENT: The Criminal Division promotes the safety of the community and supports local law enforcement by upholding state and local laws and ordinances through the prosecution of misdemeanor criminal cases; provides for rehabilitation of first-time, non-violent offenders through a diversion program; provides timely notification to victims; and responds to citizen inquiries about cases pending in City Court.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Respond in writing to all substantive legal motions received from defendants or their attorneys.					
• Number of motion responses filed at City Court	4,006	4,398	4,146	4,290	4,440
• Number of answers/appeals/special actions filed	263	235	272	282	292
Ensure the daily availability of a prosecutor to respond to walk-in and telephone inquiries from the public.	81%	85%	85%	85%	85%
Defer the prosecution of first-time, non-violent defendants to reduce the City Court caseload, make resources available for the prosecution of more serious crimes, and offer a counseling/education opportunity to first-time offenders.					
• Number of defendants who applied for or were offered diversion	5,890	6,500	6,096	6,310	6,530
Advise victims of their rights, case status, outcome, and restitution as required by the victim rights constitutional amendments.					
• Number of notifications mailed/called	35,526	35,000	36,770	38,057	39,389
• Number of victims assisted in obtaining restitution	3,258	3,300	3,372	3,490	3,612
• Amount obtained in restitution awards for crime victims and City Court (\$000s)	\$ 128	\$ 136	\$ 132	\$ 137	\$ 142
Key Outcomes					
Respond in a timely manner to all substantive legal motions.					
• Percent of motion responses filed within ten days of receipt	99%	95%	99%	95%	95%
• Percent of appeals/special actions won	74%	86%	85%	85%	85%

Criminal (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Obtain responses to public surveys rating staff professionalism.					
• Percent of public survey responses indicating professional treatment from the prosecutor	77%	85%	85%	85%	85%
Offer diversion to first-time, non-violent defendants to reduce the City Court caseload, make resources available for the prosecution of more serious crimes, and offer a counseling/education opportunity to first-time offenders.					
• Percent of defendants successfully completing diversion	85%	95%	95%	95%	95%
• Percent of defendants scheduled for general criminal arraignment offered diversion	9.6%	10.0%	10.0%	10.0%	10.0%
Obtain responses to victim satisfaction surveys upon conclusion of case.					
• Percent of victim surveys returned with “above average” rating	84%	95%	95%	95%	95%

RESOURCE SUMMARY

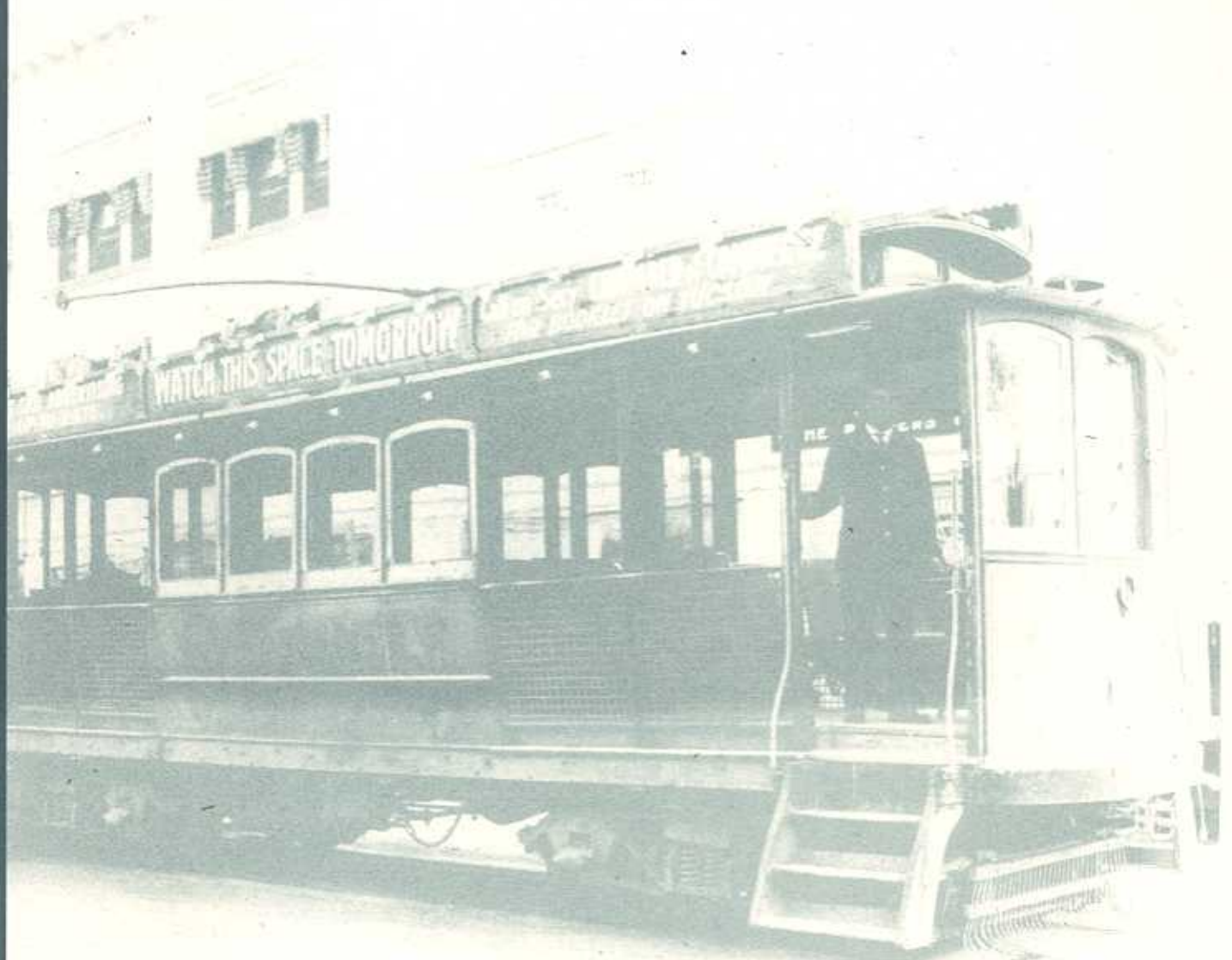
Position Resources	76.00	76.00	76.00	77.00	77.00
Financial Resources					
General Fund	\$ 4,160,368	\$ 4,370,160	\$ 4,470,910	\$ 4,732,830	\$ 5,026,810
General Fund: Forfeiture Funds	54,697	210,010	129,810	210,010	210,010
Miscellaneous Federal Grants	259,038	383,980	266,980	378,130	409,560
Miscellaneous Non-Federal Grants	71,566	133,390	92,010	138,300	145,580
Financial Resources Total	\$ 4,545,669	\$ 5,097,540	\$ 4,959,710	\$ 5,459,270	\$ 5,791,960

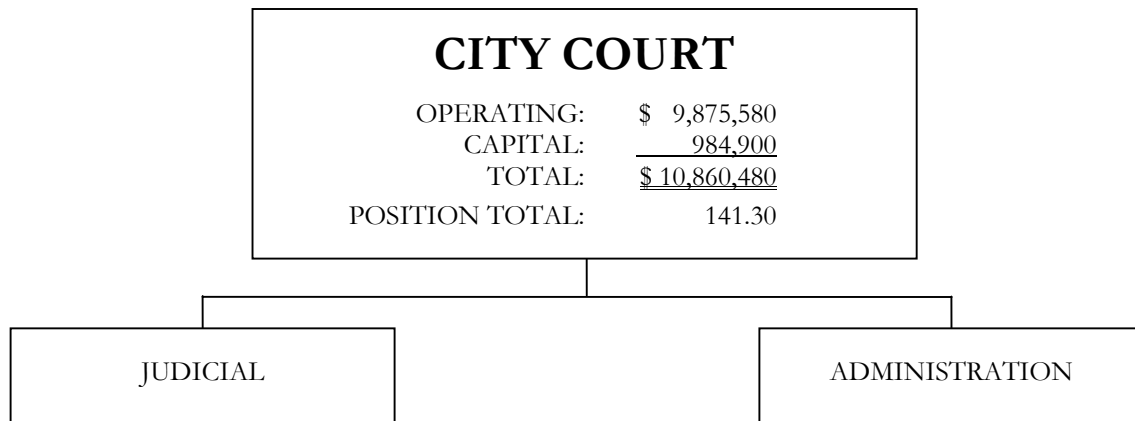
CONSUMER AFFAIRS***RESOURCE SUMMARY**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	7.00	-0-	-0-	-0-	-0-
Financial Resources					
General Fund	\$ 421,203	\$ -0-	\$ -0-	\$ -0-	\$ -0-

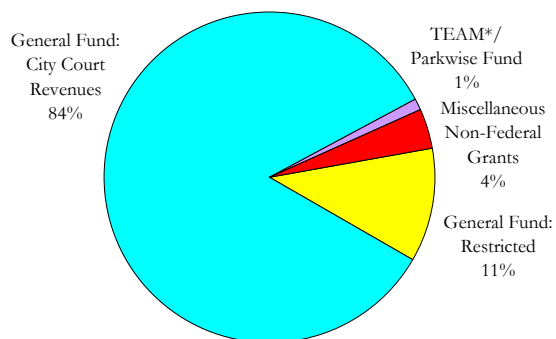
*The Consumer Affairs Division was eliminated in Fiscal Year 2004.

NEIGHBORHOOD SERVICES



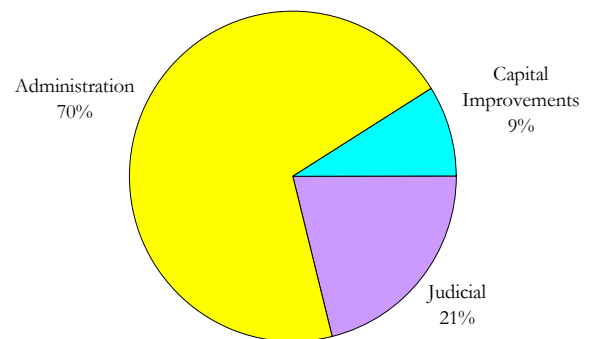


FINANCING PLAN



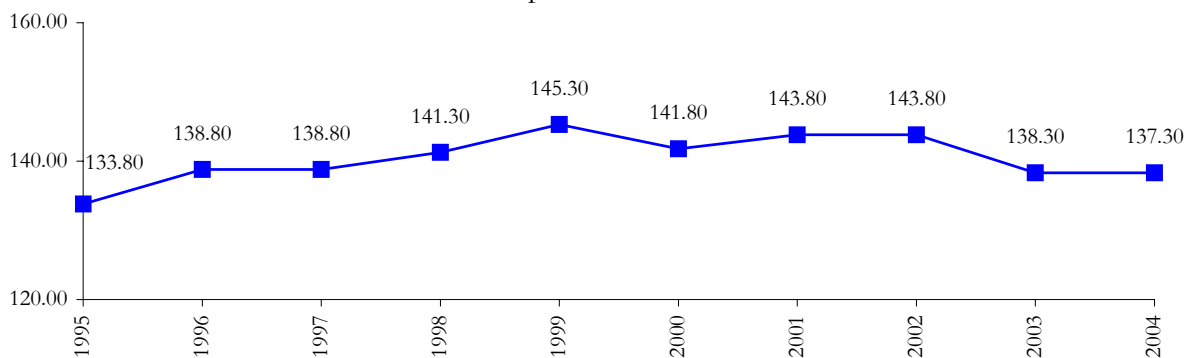
*Transportation Enterprise Area Management (TEAM)

PROGRAM ALLOCATION



TEN YEAR STAFFING TRENDS

Adopted Positions



CITY COURT

MISSION STATEMENT: To serve the community and protect individual rights by providing fair and prompt administration of justice.

OVERVIEW

The case volume of City Court is the second largest of any municipal court in Arizona. The divisions of City Court are Judicial and Administration. Within the Judicial Division, 12 full-time magistrates, 2 limited special magistrates, and other special magistrates hear a variety of cases including traffic, driving under the influence (DUI), drug possession, prostitution, shoplifting, domestic violence, and city code violations. A significant number of the DUI and prostitution cases are tried before a jury.

The Administration Division provides, and is responsible for, personnel management, facilities management, budget management, records management, computerized case tracking, calendar management, public services, and order enforcement for the entire court, processing nearly 300,000 cases per year.

DEPARTMENT HIGHLIGHTS

Facilities Enhancement: City Court has added a second security station (metal detector and x-ray) in order to decrease the time visitors to the court must wait to enter the building. Prior to the addition of this second security station the waiting lines to enter the building often extended a block or more down Alameda Street. City Court has an average of 1,805 individuals pass through the doors Monday through Friday. Security protocols remain very strict at the court as a result of the September 11, 2001 terrorist incident.

Customer Service Enhancements (Waiting Times): The Public Services and Sentence Enforcement Divisions have restructured to reduce waiting times in the customer service lobby from nearly one-hour to an average of 18 minutes. Delays still occur depending on time of day and volume of persons seeking to access services, but are much less than in the past.

Call Center: City Court has reengineered the automated phone menu system in an effort to provide better customer service. A phone call center was established and staffed by four employees. Previously published customer service numbers were consolidated into a single customer service number (791-4216), with 12 incoming lines. Customers select options from the menu with a one-stop call center as the key component of the system. Citizen complaints regarding telephone service appear to have ceased as a result of this effort.

Mental Health Diversion: The mental health diversion program was developed for non-violent mentally ill offenders who benefit from treatment from a mental health agency rather than incarceration for minor violations. Through the efforts of the courts, City Attorney's Office, and Office of the Public Defender, the program has been successful in reducing the number of days offenders spend in custody. This project received an Innovations in American Government Award from Harvard University's John F. Kennedy School of Government in Fiscal Year 2003.

Sentence Enforcement Enhancements: Sentence Enforcement Court: City Court continues to operate the Sentence Enforcement Court, formerly Warrant Court, to arraign individuals with outstanding criminal warrants and to resolve unpaid criminal cases. This is a highly successful program allowing the court to provide the public with added accessibility to a special magistrate. Since its inception in August 2000, the court has seen 6,619 defendants, accepted pleas in 4,311 cases, quashed 8,219 warrants, and collected \$845,891 in outstanding fines.

Department Highlights (Continued)

Booting Program: A program to “boot” the vehicles of offenders who fail to pay three or more parking citations has been implemented successfully. To date this program has encouraged 33 individuals to pay past due fines in the amount of \$29,311.

Fines/Fees and Restitution Program: City Court has participated as a pioneer court in the Fines, Fees, and Restitution (FARE) program. This program is designed to enhance compliance with court orders and sanctions through a full range of collection and enforcement services; a consequence of the program is enhanced revenue. The collection services may include skip tracing, referral to the Traffic Ticket Enforcement Assistance Program (TTEAP), Tax Intercept Program (TIP), wage garnishment, and credit bureau reporting. To date the program has processed 2,571 cases and collected \$889,797.

SUPPORT FOR LIVABLE TUCSON GOALS



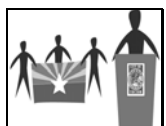
Goal: Safe Neighborhoods

City Court mediates family and neighborhood problems through Orders of Protection, Injunctions Prohibiting Harassment, and by providing subsequent hearings. Safe streets and respect for laws and the judicial system are promoted through court enforcement programs. City Court enhances public awareness of laws and safety by offering traffic safety classes. Prompt adjudication of civil infractions and criminal matters ensures neighborhood safety.



Goal: Caring, Healthy Families and Youth

City Court assists victims of domestic violence by having magistrates available during working hours to issue Orders of Protection both at the courthouse and satellite locations. Emergency Orders of Protection can be issued after normal working hours through the on-call magistrate. City Court also promotes education in family harmony through domestic violence intervention, screening, and counseling. Additionally, City Court protects families through specialized assessment and education programs as part of the sentences imposed on offenders.



Goal: Engaged Community and Responsive Government

In response to citizen complaints regarding telephone service, City Court has established a call center to provide information, accept payments, and route citizens to the appropriate court department to receive service.

City Court continues to offer the basic customer services of scheduling court dates, accepting payment or proof of compliance, and providing information on Saturdays from 8:00 a.m. to 12:00 p.m. in the Public Assistance Lobby.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Judicial	17.80	16.80	16.80	17.80	17.80
Administration	120.50	120.50	120.50	123.50	123.50
Department Total	138.30	137.30	137.30	141.30	141.30

FINANCIAL SUMMARY

Judicial	\$ 2,356,887	\$ 2,109,720	\$ 2,111,110	\$ 2,312,140	\$ 2,352,580
Administration	7,273,639	7,643,850	6,763,890	7,563,440	7,967,400
Operating Total	9,630,526	9,753,570	8,875,000	9,875,580	10,319,980
Capital Improvements	-0-	250,000	15,100	984,900	-0-
Department Total	\$ 9,630,526	\$ 10,003,570	\$ 8,890,100	\$ 10,860,480	\$ 10,319,980

CHARACTER OF EXPENDITURES

Personal Services	\$ 6,903,802	\$ 7,069,600	\$ 6,846,820	\$ 7,634,170	\$ 8,092,140
Services	2,391,003	1,922,610	1,427,370	1,494,000	1,495,260
Commodities	274,520	354,520	381,970	354,970	354,970
Equipment	61,201	106,840	118,840	106,840	106,840
Inter-Activity Transfers	-0-	300,000	100,000	285,600	270,770
Operating Total	9,630,526	9,753,570	8,875,000	9,875,580	10,319,980
Capital Improvements	-0-	250,000	15,100	984,900	-0-
Department Total	\$ 9,630,526	\$ 10,003,570	\$ 8,890,100	\$ 10,860,480	\$ 10,319,980

SOURCE OF FUNDS

OPERATING FUNDS

General Fund	\$ 179,700	\$ -0-	\$ -0-	\$ -0-	\$ -0-
General Fund: Restricted	168,529	250,000	250,000	250,000	250,000
General Fund: City Court Revenues	9,174,611	9,144,510	8,480,540	9,120,480	9,553,640
Transportation Enterprise Area Management (TEAM)/Parkwise Fund	-0-	-0-	-0-	105,960	113,440
Miscellaneous Non-Federal Grants	107,686	359,060	144,460	399,140	402,900
Operating Funds Total	\$ 9,630,526	\$ 9,753,570	\$ 8,875,000	\$ 9,875,580	\$ 10,319,980

CAPITAL FUNDS

General Fund: Restricted	\$ -0-	\$ 250,000	\$ 15,100	\$ 984,900	\$ -0-
Capital Funds Total	\$ -0-	\$ 250,000	\$ 15,100	\$ 984,900	\$ -0-
Department Total	\$ 9,630,526	\$ 10,003,570	\$ 8,890,100	\$ 10,860,480	\$ 10,319,980

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$9,875,580 reflects an increase of \$122,010 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases. The significant changes to expenditures are as follows:

- ◆ A change in the method of accounting for expenditures and revenues for the defensive driving school reduces both by an equal amount, \$480,000.
- ◆ To speed the adjudication of parking violations, TEAM will fund \$106,220 including two positions.
- ◆ The increased caseload in probation requires the addition of \$62,610 including two positions to effectively manage the program.

The Fiscal Year 2005 Capital Budget of \$984,900 funds structural improvements to the City Court building and demolition of the attached parking garage for safety reasons.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$10,319,980 includes an increase of \$444,400 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

There is no capital budget for Fiscal Year 2006.

JUDICIAL

MISSION STATEMENT: The Judicial Division builds public trust and confidence in City Court by providing prompt and impartial adjudication of cases and equal access for all citizens who appear before City Court.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Adjudicate all cases brought before the court.					
• Number of criminal arraignments	97,921	46,305	40,000	40,000	40,000
• Number of bench trials	502	825	525	525	525
• Number of jury trials	90	125	90	100	100
• Number of civil traffic hearings	2,893	3,300	3,000	3,000	3,000

RESOURCE SUMMARY

Position Resources	17.80	16.80	16.80	17.80	17.80
Financial Resources					
General Fund: City Court Revenues	\$ 2,259,998	\$ 2,038,480	\$ 2,054,470	\$ 2,133,600	\$ 2,166,660
TEAM/Parkwise Fund	-0-	-0-	-0-	67,220	70,840
Miscellaneous Non-Federal Grants	96,889	71,240	56,640	111,320	115,080
Financial Resources Total	\$ 2,356,887	\$ 2,109,720	\$ 2,111,110	\$ 2,312,140	\$ 2,352,580

ADMINISTRATION

MISSION STATEMENT: The Administration Division supports the judiciary and serves the community by providing efficient case processing, quality service to the public, enforcement of judicial orders, and integrity and accountability in all transactions.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Maintain file library and track file flow to ensure accountability for all court-wide events which include the following: file destruction, file storage, calendared events, motions, set asides, probation revocations, prior arrests, record requests, and on-demand requests.					
• New files opened	187,741	139,000	187,741	187,741	187,741
• Number of files archived and destroyed	153,142	250,000	200,000	200,000	200,000
• Number of pending files	450,000	688,000	400,000	400,000	400,000
Initiate court cases by entering citation information in the computer system, and manage case flow by entering results of court hearings in an accurate and timely manner.					
• Number of cases initiated and updated that required action by a judicial officer.	189,939	298,900	218,000	218,000	218,000
Implement contracts for payment when it is determined that defendants, due to financial hardship, are unable to pay at time of sentencing.					
• Number of contracts for payment established	6,041	5,330	6,500	6,800	6,800
Serve the public from 8:00 a.m. to 5:00 p.m. on weekdays, and from 8:00 a.m. to 12:00 p.m. on Saturday, to provide citizen information, cashier services, reschedule court hearings, and accept proofs of compliance with court orders.					
• Number of individuals served	122,142	93,000	130,000	130,000	130,000

Administration (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Provide access to judicial services for victims of domestic violence or harassment from 8:00 a.m. to 4:00 p.m. on weekdays, and provide information, forms, interpreter services, and clerical support for hearings.					
• Number of citizens served*	4,181	10,000	4,500	4,500	4,500
Provide clerical support to the City Court and ensure accurate and timely preparation of court orders and related documents for all court trials and hearings, and route files and documents to the appropriate department for action.					
• Number of court files handled	153,084	90,400	218,084	218,084	218,084
Key Outcomes					
Assist individuals within 30 minutes of their arrival.	85%	85%	85%	90%	90%
Serve applicants for orders against domestic violence or harassment within 30 minutes of arrival time.					
• Number of applicants*	4,181	10,000	4,200	4,200	4,200

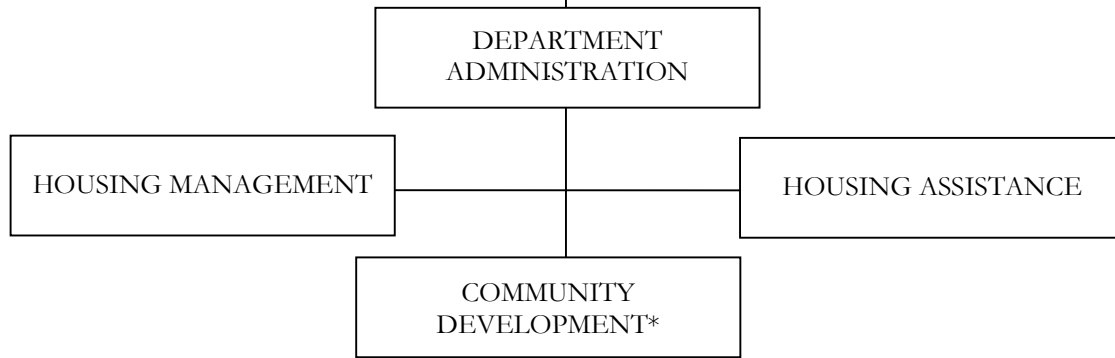
*Number of people served has decreased with implementation of an agreement between Pima County Superior Court and Justice Court regarding issuing Orders of Protection at those courts.

RESOURCE SUMMARY

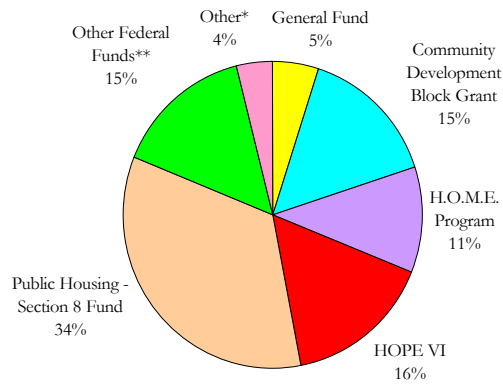
Position Resources	120.50	120.50	120.50	123.50	123.50
Financial Resources					
General Fund	\$ 179,700	\$ -0-	\$ -0-	\$ -0-	\$ -0-
General Fund: City Court Revenues	6,914,613	7,106,030	6,426,070	6,986,880	7,386,980
General Fund: Restricted	168,529	250,000	250,000	250,000	250,000
TEAM/Parkwise Fund	-0-	-0-	-0-	38,740	42,600
Miscellaneous Non-Federal Grants	10,797	287,820	87,820	287,820	287,820
Financial Resources Total	\$ 7,273,639	\$ 7,643,850	\$ 6,763,890	\$ 7,563,440	\$ 7,967,400

COMMUNITY SERVICES

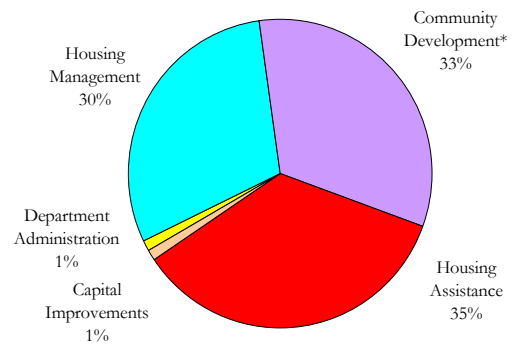
OPERATING: \$ 82,089,090
 CAPITAL: 925,500
 TOTAL: \$ 83,014,590
 POSITION TOTAL: 153.00



FINANCING PLAN



PROGRAM ALLOCATION



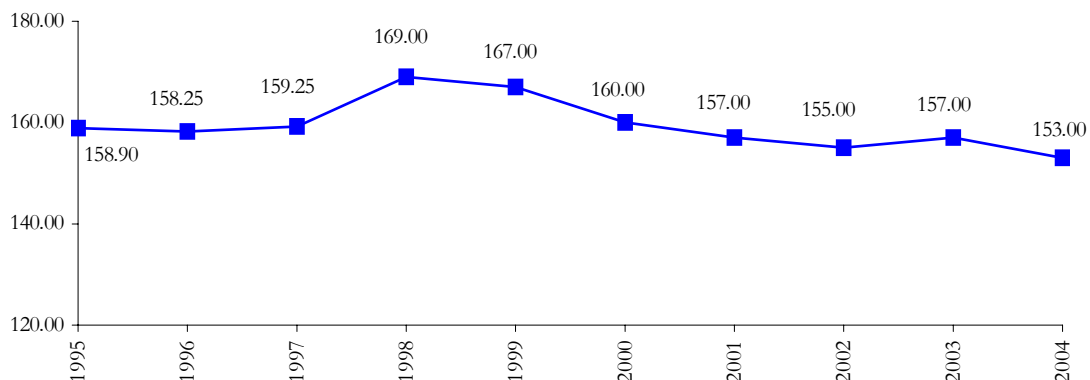
*Includes General Fund Earned Revenue (4%), Capital Agreement Funds: Pima County Bonds (<1%), and Miscellaneous Non-Federal Grants (<1%).

**Includes Public Housing Conventional/Development Fund (7%), Miscellaneous Federal Housing Grants (4%), Comprehensive Housing Fund (3%), and Miscellaneous Federal Grants (1%).

*The Community Development Division was created during Fiscal Year 2004 by combining the Technical Services and Community Conservation and Development Divisions.

TEN YEAR STAFFING TRENDS

Adopted Positions



COMMUNITY SERVICES

MISSION STATEMENT: To improve the quality of life for the citizens of Tucson by providing housing and community service programs that strengthen and enhance the social, economic, and physical environment, especially for those of lower income.

OVERVIEW

The Community Services Department accomplishes its mission through the work of its staff members organized into four divisions: Department Administration, Housing Management, Community Development, and Housing Assistance. The Community Development Division is new this year, the result of a re-organization that combined the Technical Services and the Community Conservation and Development Divisions. The department administers housing, social service, and community development programs, as well as a wide range of other public projects. The department manages federal, state, and local funds, applying those resources to locally determined needs and priorities.

The department brings diverse groups together in productive working relationships. These partnerships can then work together to achieve results far beyond what the individual players would be able to do—truly an instance of the whole being greater than the sum of its parts. The strategy is to combine strategic planning with flexibility so that the response to opportunity can be maximized. When people and resources are brought together, opportunity is transformed into better living conditions and quality of life for citizens.

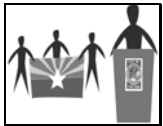
DEPARTMENT HIGHLIGHTS

Downtown Housing: This is the second year of the department's initiative to increase housing production downtown. Major projects have included the Depot Plaza, West Congress Street, and Presidio Terrace. The department will continue its emphasis on spurring downtown residential development over the next two years.

Neighborhood Revitalization: During Fiscal Year 2005, the city's second Housing Opportunities for People Everywhere (HOPE) VI project, the revitalization of the South Park neighborhood, will be completing its major goals. The \$12.7 million South Park HOPE VI Project's goals include supporting the area through housing, economic development, infrastructure, social services, and community security. The department anticipates leveraging funds so that a total of \$75 million will be invested in the South Park community.

Investing in People: Starting in Fiscal Year 2003, a new process for Human Services funding increased the effectiveness of these resources, by increasing accountability and allowing for strategic and coordinated planning through the development of a Human Services Action Plan and implementation of a single Request for Proposal (RFP) process. In addition, the department directly provides services for assisted housing residents to help them live independently and/or become self-sufficient.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Engaged Community and Responsive Government

The Community Services Department actively engages the public in discussion of community needs and strategies. Each year, Community Services prepares six major housing, community development, and human service plans for which the department seeks out community input. The department also coordinates the activities of two Mayor and Council advisory groups—the Community Development Advisory Committee and the Metropolitan Housing Commission.

Support for Livable Tucson Goals (Continued)

Engaged Community and Responsive Government (Continued)

In support of neighborhood-based decision making, the department actively supports and funds the Pro-Neighborhood program that underwrites neighborhood volunteer projects.

The department's strategy in the 2003 budget stated that the goal of the department was to "grow the programs that can be grown." The Section 8 Program continues to pursue and realize that strategy. During the last two years the program grew by 12.3%, bringing into the community an additional 738 assisted housing units and an additional \$4.2 million in housing subsidies to landlords. Included was special funding for disabled families and funding for preservation of affordable housing. The Housing Assistance Division expects to continue maintaining 100% occupancy within its programs as well as to continue exploring other housing opportunities for future growth.

One such growth opportunity recently occurred when the Mayor and Council authorized the use of Section 8 administrative reserve money to rehabilitate or purchase affordable housing. The department is currently negotiating the purchase of a ten-unit complex that will not only increase affordable housing opportunities, but will generate additional housing funds.



Goal: Caring, Healthy Families and Youth

Families and youth are important participants in, and recipients of, programs offered by the Community Services Department, with the greatest impact occurring through housing programs. Families and youth services also receive major benefits from Community Development Block Grants and human services programs. The department contracts with organizations such as Pima Youth Partnership, Child and Family Services, and the Homeless Teen Project to support the healthy development of youth.

The Family Self-Sufficiency program provides an opportunity for public housing and Section 8 families to improve themselves through education, job training, support for job enhancement, and managed savings.



Goal: Infill and Reinvestment, Not Urban Sprawl

Comprehensive reinvestment in urban core neighborhoods is a departmental focus. The department administers loan and grant programs that provide low- and moderate-income families with funds to repair their homes. HOPE VI grants and Downtown Initiative funds develop new infill housing and investment in neighborhood infrastructure and public services for city residents. In the last five years, the department and its non-profit partners have increased the number of households assisted with housing problems from 8,500 to over 17,000. The department's five-year goal is to assist 1,000 additional households per year.



Goal: People-Oriented Neighborhoods

The Community Services Department provides financial and technical support to a wide variety of agencies to help them to revitalize, and promote services within neighborhoods. The Pro-Neighborhood program continues to play a key role in supporting neighborhood-initiated activities.

The HOPE VI South Park Neighborhood Revitalization project uses a new urbanism approach to developing neighborhoods where people can work, play, and live by developing places to work, places to gather, and improved housing through strategic investment in the neighborhood.

Support for Livable Tucson Goals (Continued)

People-Oriented Neighborhoods (Continued)

The department also funds numerous neighborhood-initiated capital and public service projects that make neighborhoods better places to live. For example, the department has helped create a neighborhood credit union and a prevention/wellness center.



Goal: Respected Historic and Cultural Resources

When rehabilitating existing homes and building new homes, the department strives to maintain or construct historically compatible homes—structures that blend in with the existing neighborhoods. One example is infill housing in the El Presidio downtown neighborhood. Culture and history are honored through such projects as the Dunbar Coalition Project by the African-American Cultural Center partially funded by the department. The South Park HOPE VI project is also developing an Arts & Culture location to provide cultural education opportunities for the community.



Goal: Reduced Poverty and Greater Equality of Opportunity

As a public housing authority, the Community Services Department supports 6,000 affordable housing units through its public housing and Section 8 programs. These programs provide stable, decent housing to those who could not otherwise afford it. With the additional help of other services that go beyond the basic need of shelter, these clients are in a position to take better advantage of opportunities most of us take for granted. The Family Self-Sufficiency program creates opportunities for families to improve their standard of living, increase their stability, and become self-reliant.

In addition, the department administers programs to develop affordable homeownership and transitional rental housing and to promote a wide range of services including those targeted for homeless people. Funding is provided through more than 100 organizations that promote opportunity for people in need in our community.



Goal: Successful Downtown

The department encourages new housing and the stabilization of existing housing in the downtown core and neighborhoods near downtown. The department is developing homeownership opportunities in downtown neighborhoods, and is pursuing the development of land parcels for mixed use and mixed income housing.



Goal: Quality Job Training

The department participates in the federal Section 3 program, which encourages city contractors to hire low-income employees. Community Services also supports job-training programs in the Human Services process. Educational stipends are provided to low-income family members participating in the Family Self-Sufficiency program.



Goal: Strong Local Business

The department currently funds programs that offer affordable loans and training to start-up, low-income, and minority small businesses. The department also provides technical assistance to local businesses in its neighborhood redevelopment programs.

HOPE VI PROJECT

The South Park HOPE VI Neighborhood Project brings together many of the Livable Tucson Goals. HOPE VI is a U.S. Department of Housing and Urban Development Program designed to redevelop some of the country's most troubled and isolated housing developments. The goal of the City of Tucson's HOPE VI project is not only to improve public housing development but also to improve the surrounding neighborhood. The work in the South Park neighborhood will be completed in Fiscal Year 2005.

Goal: Engaged Community and Responsive Government

- The South Park HOPE VI Revitalization Grant Application was developed after numerous community meetings. Advisory committee meetings, neighborhood update meetings, and public housing resident meetings have been held on a regular basis since November 2000.

Goal: Caring, Healthy Families and Youth

- The HOPE VI projects call for an expansion of the existing Family Self-Sufficiency program with services provided on-site for current and future residents. The Family Self-Sufficiency program provides collaborative, community-based family case management services, and opportunities for education and job training that can lead to living wage work and affordable homeownership.
- The South Park HOPE VI project has provided facilities for a Prevention/Wellness Center on site. CODAC Behavioral Health Services provides community mobilization and substance abuse prevention services.
- The South Park project, partnering with Pima County, provides supportive services for neighborhood youth to help them complete school, find employment, and link with service providers to overcome at-risk behaviors.

Goal: People Oriented Neighborhoods

- The South Park HOPE VI, in conjunction with Back to Basics, has made improvements to the neighborhood infrastructure including sidewalks and streetlights.
- The Weed and Seed program is fighting crime and enhancing the strong community involvement of the area.

Goal: Reduced Poverty and Greater Equality of Opportunity

- Along with job opportunities for area residents, the economic development strategy included support of neighborhood businesses.
- In partnership with United Way, an Individual Development Account program has helped neighborhood residents save for their future.

Goal: Infill and Reinvestment, Not Urban Sprawl

- The South Park HOPE VI project assists current homeowners in rehabilitating their existing homes. The project is making improvements to the public housing in the neighborhood, and is developing fifty infill homes.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Department Administration	10.00	10.00	11.00	11.00	11.00
Housing Management	67.00	66.00	66.00	66.00	66.00
Community Development*	44.00	41.00	40.00	38.00	38.00
Housing Assistance	36.00	36.00	38.00	38.00	38.00
Department Total	157.00	153.00	155.00	153.00	153.00

FINANCIAL SUMMARY

Department Administration	\$ 888,226	\$ 951,800	\$ 961,280	\$ 1,269,590	\$ 1,108,010
Housing Management	12,143,385	13,596,560	14,194,440	24,889,250	22,855,080
Community Development*	18,552,840	26,905,970	25,957,810	27,026,550	25,800,110
Housing Assistance	26,730,645	25,199,650	25,199,660	28,903,700	28,638,570
Operating Total	58,315,096	66,653,980	66,313,190	82,089,090	78,401,770
Capital Improvements	5,643,633	2,290,100	11,303,230	925,500	-0-
Department Total	\$ 63,958,729	\$ 68,944,080	\$ 77,616,420	\$ 83,014,590	\$ 78,401,770

CHARACTER OF EXPENDITURES

Personal Services	\$ 9,071,853	\$ 9,184,517	\$ 8,994,010	\$ 9,728,360	\$ 10,132,510
Services	38,199,265	25,557,110	30,556,500	29,899,080	29,412,660
Commodities	880,340	829,060	932,100	670,070	671,890
Equipment	3,635,204	1,884,130	3,592,880	90,160	80,120
Debt Service	670	390	390	670	670
Other	6,920,373	80,230	8,211,590	20,000	19,450
Inter-Activity Transfers	(392,609)	29,118,543	14,025,720	41,680,750	38,084,470
Operating Total	58,315,096	66,653,980	66,313,190	82,089,090	78,401,770
Capital Improvements	5,643,633	2,290,100	11,303,230	925,500	-0-
Department Total	\$ 63,958,729	\$ 68,944,080	\$ 77,616,420	\$ 83,014,590	\$ 78,401,770

*The Community Development Division was created during Fiscal Year 2004 by combining the Technical Services and Community Conservation and Development Divisions. Fiscal Year 2003 and Fiscal Year 2004 staffing and budgets have been revised to reflect this change.

COMMUNITY SERVICES

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
SOURCE OF FUNDS					
OPERATING FUNDS					
General Fund	\$ 3,832,791	\$ 3,731,190	\$ 3,731,250	\$ 3,913,750	\$ 3,963,620
General Fund: Earned Revenue	1,202,743	2,054,280	2,054,290	3,104,600	3,114,590
Community Development Block Grant Fund	5,568,523	10,936,810	10,272,280	11,873,840	11,292,950
HOPE VI Grants	1,992,977	1,469,000	1,469,000	12,549,050	11,334,960
Public Housing Conventional/ Development Fund	5,769,940	6,015,290	6,015,300	5,895,650	5,895,650
Public Housing Section 8 Fund	26,150,278	23,743,420	23,743,420	27,998,320	28,077,030
H.O.M.E. Grants	5,460,867	7,527,110	8,593,450	9,336,830	8,754,530
Comprehensive Housing Fund	2,886,279	3,319,050	3,312,160	2,488,320	2,490,940
Miscellaneous Federal Housing Grants	3,861,924	5,841,020	5,176,180	3,099,260	2,565,960
Miscellaneous Federal Grants	1,116,471	1,366,810	1,295,860	1,179,470	261,540
Miscellaneous Non-Federal Grants	472,303	650,000	650,000	650,000	650,000
Operating Funds Total	\$ 58,315,096	\$ 66,653,980	\$ 66,313,190	\$ 82,089,090	\$ 78,401,770
CAPITAL FUNDS					
General Fund: Earned Revenue	\$ 32,493	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Agreement Fund	15,000	-0-	-0-	-0-	-0-
Capital Agreement Fund: Pima County Bonds	-0-	-0-	-0-	150,000	-0-
Community Development Block Grant Fund	555,598	23,200	368,830	251,500	-0-
HOPE VI Grants	5,040,542	2,245,500	9,629,000	524,000	-0-
H.O.M.E. Grants	-0-	-0-	717,000	-0-	-0-
Comprehensive Housing Fund	-0-	21,400	588,400	-0-	-0-
Capital Funds Total	\$ 5,643,633	\$ 2,290,100	\$ 11,303,230	\$ 925,500	\$ -0-
Department Total	\$ 63,958,729	\$ 68,944,080	\$ 77,616,420	\$ 83,014,590	\$ 78,401,770

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$82,089,090 reflects an increase of \$15,435,110 from the Fiscal Year 2004 Adopted Budget, primarily in federal funding. Above and beyond its federal entitlement program allocations, the city has been successful over the years in obtaining special federal funds for housing and other community programs. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance and pension increases. Other significant changes are as follows:

- ◆ Investment in the community will be expanded with \$11 million in HOPE VI grants.
- ◆ Assistance for low-income families will be expanded by an additional \$4.2 million in Section 8 vouchers.
- ◆ Efficiencies from combining the Technical Services and the Community Conservation and Development Divisions will save \$232,000.

The Fiscal Year 2005 Capital Budget of \$925,500 funds the South Park Arts and Culture Center and Robert F. Kennedy Home Revitalization project, primarily with HOPE VI funding.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$78,401,770 includes a decrease of \$3,687,320 from Fiscal Year 2005, primarily in federal funding. As federal programs and projects are completed, the city aggressively seeks federal funding for new programs that will be reflected when secured. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance and pension increases.

There is no capital budget for Fiscal Year 2006.

COMMUNITY SERVICES

DEPARTMENT ADMINISTRATION

MISSION STATEMENT: The Department Administration Division assists in the efficient and effective delivery of affordable housing and community services for the citizens of Tucson by providing overall administration for the department, including program, financial, personnel, and computer management.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Manage processes that coordinate, measure progress, and ensure performance in achieving departmental goals.					
• Conduct project management, financial, and performance measure reviews	10	10	10	10	10
• Produce monthly expenditure reports	12	12	12	12	12
Spend Community Development Block Grant (CDBG) and H.O.M.E. grant funds on locally determined projects within program guidelines as soon as possible, with expenditures equal to or exceeding the annual entitlement amounts.					
• Community Development Block Grant	80%	100%	100%	100%	100%
• H.O.M.E. grant	133%	100%	100%	100%	100%
Key Outcomes					
Produce housing and community services by spending federal funds within the rules and regulations as determined by the annual Single Audit Act, with a goal of two or fewer audit findings.					
• Number of audit findings	-0-	2	2	2	2
Secure program funding from the private and public sectors to increase community resources for affordable housing and Community Services Department programs.					
• Number of commitments secured	17	12	12	12	12
• Amount of commitments secured (\$000s)	\$ 2,339	\$ 6,000	\$ 6,000	\$ 3,000	\$ 3,000
Manage department programs to the satisfaction of agencies, clients, and employees.					
• Percent of surveys with ratings of "satisfactory" or better	82%	80%	80%	80%	80%

Department Administration (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Manage department resources to ensure that major programs, projects, and services are produced effectively, on time, and within budget.					
• Low rent housing at 97% occupancy	97%	97%	97%	97%	97%
• Section 8 housing at 100% occupancy	98%	100%	100%	100%	100%

RESOURCE SUMMARY

Position Resources	10.00	10.00	11.00	11.00	11.00
Financial Resources					
General Fund	\$ 148,612	\$ 10,490	\$ 10,490	\$ 203,630	\$ 209,510
General Fund: Earned Revenue	-0-	-0-	9,480	-0-	-0-
Community Development Block Grant Fund	464,366	608,680	608,680	684,270	504,070
HOPE VI Grants	14,620	69,000	69,000	42,000	-0-
Public Housing Conventional/Development Fund	75,621	52,120	52,120	100,000	121,550
Public Housing Section 8 Fund	137,302	137,290	137,290	164,490	171,280
H.O.M.E. Grants	21,193	21,200	21,200	21,200	36,260
Comprehensive Housing Fund	16,510	33,020	33,020	45,000	61,340
Miscellaneous Federal Housing Grants	10,002	20,000	20,000	9,000	4,000
Financial Resources Total	<u>\$ 888,226</u>	<u>\$ 951,800</u>	<u>\$ 961,280</u>	<u>\$ 1,269,590</u>	<u>\$ 1,108,010</u>

HOUSING MANAGEMENT

MISSION STATEMENT: The Housing Management Division manages city-owned rental housing for low-income households by ensuring that properties are maintained at a high quality standard, by being responsive to neighborhood concerns, and by promoting tenant self-sufficiency.

KEY MEASURES OF PERFORMANCE

Key Outputs

Maintain a high occupancy rate for available public housing units.

• Occupancy rate	98%	97%	97%	97%	97%
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COMMUNITY SERVICES**Housing Management (Continued)****KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Maintain a constant level of participation in the Family Self-Sufficiency (FSS) program.					
• Number of participants	189	225	200*	200	200
◇ Public Housing	101	120	117	112	112
◇ Section 8-City of Tucson	57	67	65	63	63
◇ Section 8-Pima County	31	38	28	28	28

Key Outcomes

Collect tenant rental payments.

• Percent collected	98.7%	97.0%	97.0%	97.0%	97.0%
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Provide effective case management to ensure that FSS participants become eligible to receive any funds accrued in their FSS escrow saving accounts.

• Number of successful graduates	20	33	13*	13	13
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*Decrease due to reduced funding levels.

RESOURCE SUMMARY

Position Resources	67.00	66.00	66.00	66.00	66.00
Financial Resources					
General Fund	\$ 155,225	\$ 242,450	\$ 535,310	\$ 252,980	\$ 266,810
General Fund: Earned Revenue	136,189	1,364,280	1,364,280	2,306,600	2,310,980
Community Development Block Grant Fund	-0-	10,000	10,000	914,930	590,000
HOPE VI Grants	1,978,357	1,342,400	1,342,400	12,460,000	11,300,000
Public Housing Conventional/Development Fund	5,638,257	5,879,340	5,879,340	5,730,250	5,708,700
Public Housing Section 8 Fund	60,797	82,280	82,280	50,240	50,240
H.O.M.E. Grants	-0-	-0-	305,020	-0-	-0-
Comprehensive Housing Fund	2,744,236	3,103,020	3,103,020	2,320,700	2,185,800
Miscellaneous Federal Housing Grants	793,365	1,069,210	1,069,210	537,310	342,550
Miscellaneous Federal Grants	239,459	503,580	503,580	316,240	100,000
Miscellaneous Non-Federal Grants	397,500	-0-	-0-	-0-	-0-
Financial Resources Total	<u>\$ 12,143,385</u>	<u>\$ 13,596,560</u>	<u>\$ 14,194,440</u>	<u>\$ 24,889,250</u>	<u>\$ 22,855,080</u>

COMMUNITY DEVELOPMENT DIVISION*

MISSION STATEMENT: The Community Development Division facilitates programs and projects to preserve, upgrade, and expand the supply of affordable housing, assist low- and moderate- income individuals and families by improving housing conditions, and ensures the effective use of available resources for the delivery of community services and the expansion of community facilities.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide financial and/or technical assistance to:					
• Single Family Units					
◇ Number of units	266	299	299	160	145
◇ Dollar value (\$000s)	\$ 1,245	\$ 1,492	\$ 1,492	\$ 4,080	\$ 3,632
• Multi Dwelling Complex					
◇ Number of units	292	218	218	100	100
◇ Dollar value (\$000s)	\$ 1,172	\$ 1,113	\$ 1,113	\$ 1,100	\$ 1,100
• Public Facilities**					
◇ Number of units	10	22	22	30	27
◇ Dollar value (\$000s)	\$ 716	\$ 2,753	\$ 2,753	\$ 1,281	\$ 1,204
• Rehabilitation (Includes Agency Units)					
◇ Number of units	1,219	658	658	798***	798***
◇ Dollar value (\$000s)	\$ 1,512	\$ 2,047	\$ 2,047	\$ 2,914	\$ 2,972
• Demolition					
◇ Number of units	2	5	5	38	38
◇ Dollar value (\$000s)	\$ 11	\$ 31	\$ 31	\$ 184	\$ 184
Key Outcomes					
Ensure effective distribution of resources by contracting with and monitoring social service agencies.					
• Number of contracts	160	185	185	138	130
• Amount of contracted funds (\$000s)	\$ 3,000	\$ 6,361	\$ 6,361	\$ 6,205	\$ 5,234

*The Community Development Division was created during Fiscal Year 2004 by combining the Technical Services and Community Conservation and Development Divisions.

**Public Facilities includes Back to Basics (B2B) funded by Community Development Block Grant (CDBG) funds.

***Includes Housing Rehabilitation Collaborative (HRC) Agencies.

COMMUNITY SERVICES

Community Development Division (Continued)

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	44.00	41.00	40.00	38.00	38.00
Financial Resources					
General Fund	\$ 3,528,954	\$ 3,478,250	\$ 3,185,450	\$ 3,457,140	\$ 3,487,300
General Fund: Earned Revenue	1,066,554	690,000	680,530	798,000	803,610
Community Development Block Grant Fund	5,104,157	10,318,130	9,653,600	10,274,640	10,198,880
HOPE VI Grants	-0-	57,600	57,600	47,050	34,960
H.O.M.E. Grants	5,439,674	7,505,910	8,267,230	9,315,630	8,718,270
Comprehensive Housing Fund	125,533	183,010	176,120	122,620	243,800
Miscellaneous Federal Housing Grants	2,336,153	3,159,840	2,495,000	1,498,240	1,501,750
Miscellaneous Federal Grants	877,012	863,230	792,280	863,230	161,540
Miscellaneous Non-Federal Grants	74,803	650,000	650,000	650,000	650,000
Financial Resources Total	\$ 18,552,840	\$ 26,905,970	\$ 25,957,810	\$ 27,026,550	\$ 25,800,110

HOUSING ASSISTANCE

MISSION STATEMENT: The Housing Assistance Division provides Section 8 rental assistance in the private market to eligible low-income individuals and families so that they may live in safe, decent, sanitary, and affordable housing. The division researches and develops new rent subsidy programs to increase the affordable housing stock in the community.

KEY MEASURES OF PERFORMANCE

Key Outputs

Accept housing applications to maintain the required level of occupancy for the Public Housing Program.

• Number of public housing applications accepted	2,448	2,400	2,130	2,130	2,130
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Comply with the following program indicators as specified under the Department of Housing and Urban Development, Section 8 Management Assessment Program (SEMAP):

- 1) Reasonable rent determinations
- 2) Adjusted income determinations
- 3) Housing quality inspections

• Annual performance scores

◇ Tucson	100%	97%	98%	98%	98%
◇ Pima County	98%	97%	98%	98%	98%

Housing Assistance (Continued)

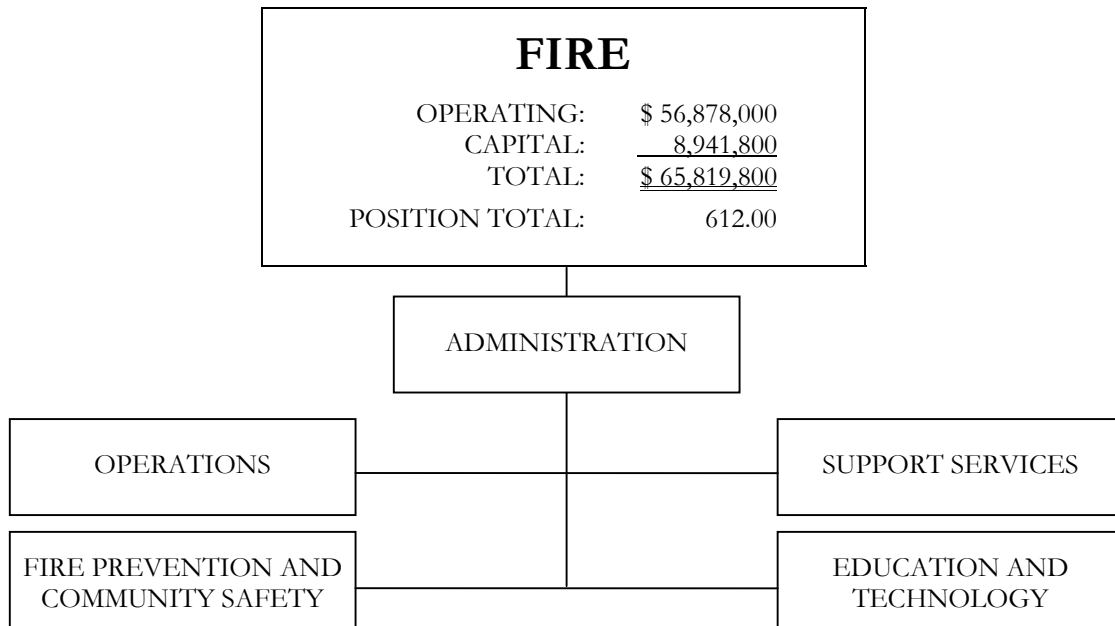
KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Annually inspect all occupied units to ensure that families are housed in decent, safe, and sanitary conditions.					
• Number of units inspected	3,535	4,612	4,715	4,715	4,715
Fully utilize available federal resources for eligible clients by maintaining a 100% occupancy level.	98%	100%	100%	100%	100%
Provide biannual training and/or information to property owners to encourage participation by owners of units located outside areas of poverty or minority concentration and to increase/maintain affordable housing in the community.					
• Number of training sessions	1	4	2	2	2
Key Outcomes					
Meet the housing assistance needs of eligible families in partnership with private rental businesses.					
• Number of families assisted	4,537	4,380	4,715	4,715	4,715
• Number of landlords in program	1,450	1,430	1,430	1,430	1,430
• Amount of rent subsidies provided (\$000s)	\$ 23,820	\$ 24,000	\$ 26,000	\$ 26,000	\$ 26,000
Obtain a rating on housing services of “satisfactory” or better from participating families.					
• Percent of families awarding desired rating	N/A	80%	80%	80%	80%

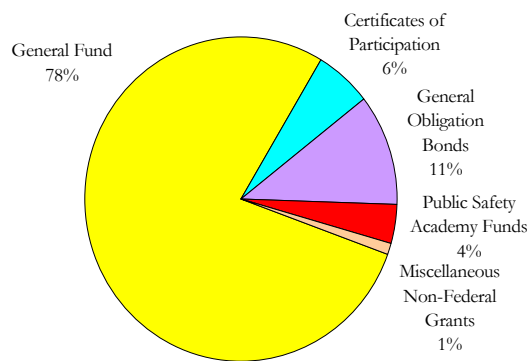
COMMUNITY SERVICES

Housing Assistance (Continued)

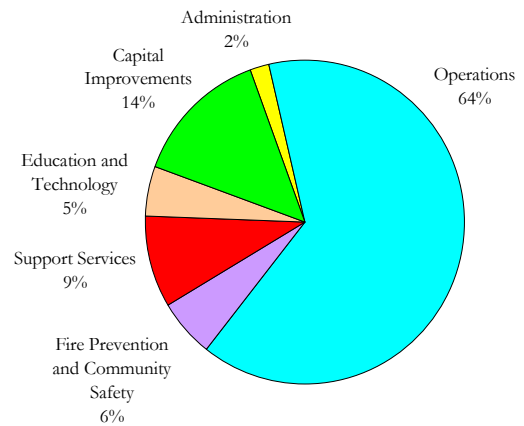
	RESOURCE SUMMARY				
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	36.00	36.00	38.00	38.00	38.00
Financial Resources					
Public Housing Conventional/ Development Fund	\$ 56,062	\$ 83,830	\$ 83,840	\$ 65,400	\$ 65,400
Public Housing Section 8 Fund	25,952,179	23,523,850	23,523,850	27,783,590	27,855,510
Miscellaneous Federal Housing Grants	722,404	1,591,970	1,591,970	1,054,710	717,660
Financial Resources Total	<u>\$ 26,730,645</u>	<u>\$ 25,199,650</u>	<u>\$ 25,199,660</u>	<u>\$ 28,903,700</u>	<u>\$ 28,638,570</u>



FINANCING PLAN

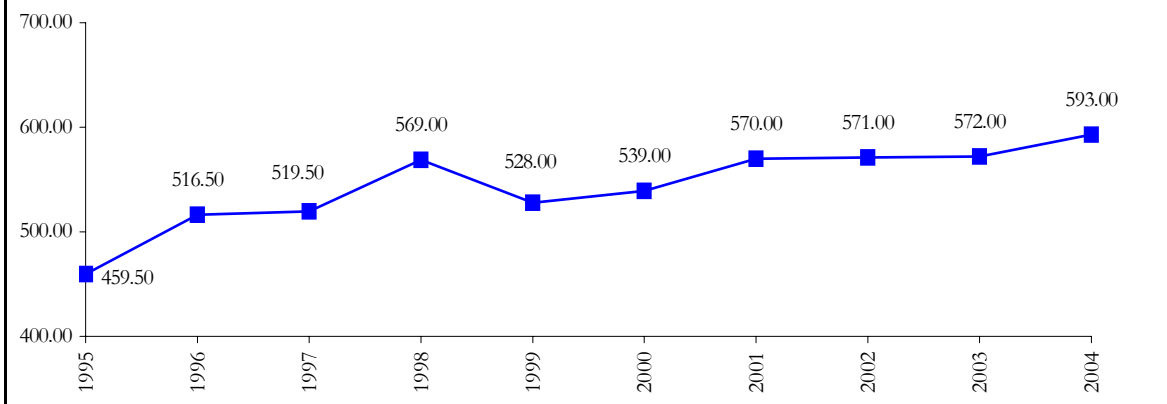


PROGRAM ALLOCATION



TEN YEAR STAFFING TRENDS

Adopted Positions



FIRE

MISSION STATEMENT: To protect the community from fire, hazardous materials, natural disasters, and other emergencies generated by human acts or nature and to serve the community through comprehensive life safety and property conservation awareness programs that reduce loss of life, protect property, and reduce damage to the environment.

OVERVIEW

All emergency and non-emergency services are developed, maintained, and provided by highly trained professionals dedicated to excellence.

In order to carry out its mission effectively, the Tucson Fire Department (TFD) is organized into five divisions: Administration, Operations, Fire Prevention and Community Safety, Support Services, and Education and Technology. Administration provides direction and policy to the entire department. The Operations Division protects the lives and property of the citizens of Tucson by responding to fire and medical emergencies, performing inspections, and presenting public education programs to increase fire and life safety awareness in the community. The Fire Prevention and Community Safety Division promotes public safety by administering fire codes and standards, conducting commercial building inspections, enforcing compliance of code requirements, and investigating suspicious fires. Public education efforts include injury prevention, child safety, at-risk behaviors, and safety equipment information. The Support Services Division supports the other divisions by procuring and distributing supplies and equipment, and keeping all vehicles and equipment in a fully functional condition. The Education and Technology Division provides training for new and existing Fire Department personnel to ensure well-trained public servants. The division has developed a regional training program to provide standardized and specialized training to regional fire districts and agencies.

DEPARTMENT HIGHLIGHTS

The Tucson Fire Department acquired land and began design for two new fire stations. Anticipated completion of Fire Stations 20 and 21 is January 2005. Fire Station 20 will initially house an engine and a paramedic company to serve the northwest and north central portions of the city. Fire Station 21 will serve the northeast part of the city and initially be staffed with a paramedic/engine company. Future plans include the addition of a ladder company at Station 20 and a paramedic company and ladder company at Station 21.

An additional bay was constructed at Fire Station 7 to house more apparatus and equipment at this centrally located station. Site acquisition was completed and design work begun to relocate the Fire Supply and Maintenance facility to provide adequate space and functionality for the work that this section does for the department. That project is anticipated to be completed in May 2005.

A project to remodel fire stations to incorporate separate dormitory facilities for male and female staff was started in February 2004. Several stations have already been remodeled to include this feature. This project will provide funding to remodel the remaining six stations that still have shared dormitories.

The department continues to increase the number of paramedic assessment units (PAUs) each fiscal year. When the program is completed, TFD will have a paramedic on every engine and ladder company. A pilot program for PAUs completed in April 2001 showed an increased capability of accurate initial assessment of patients that decreased the demand on ambulances. Currently there are twelve PAUs in service with plans to convert four companies each fiscal year.

The Disaster Preparedness section has expanded its role to include managing the Metropolitan Medical Response System, coordinating training for first responders and the community, and providing liaison duties to a host of federal, state, and local entities for preparation and management of a weapons of mass destruction event.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Safe Neighborhoods

The Tucson Fire Department responds to all fire and medical calls and maintains an average response time of 4.6 minutes. Fire crews maintain a high profile in neighborhoods and schools to foster safety and a sense of security, and each station is designated as a safe house. The department provides home safety inspections upon request and provides and installs smoke detectors to families in need. The department also performs fire prevention inspections for businesses.



Goal: Caring, Healthy Families and Youth

The Tucson Fire Department promotes numerous childhood safety and injury prevention programs such as bike safety rodeos, drowning prevention, and programs with pedestrian, fire, and seasonal safety themes. The department uses a fire safety trailer to teach children how to safely evacuate a building that is on fire. Bike helmets and infant/child car seats are provided to children of low-income families, along with instruction on proper wearing and installation of those items. Adopt-A-School programs for third graders and pre-school age children teach them about fire safety. The Juvenile Firestoppers Program is delivered to a target group of at-risk youth and includes a mental health evaluation component to better evaluate those who need services. The department participates in a Cadet Program to provide young people with the knowledge and skills necessary to enter public service as a career. The department also participates in the city's Internal Youth Policy Team with the Police, Parks and Recreation, Library, Community Services, and Neighborhood Resources Departments.



Goal: Protected Natural Desert Environment

The Tucson Fire Department coordinates the clean up of hazardous materials found on public lands when no responsible party can be found. The department trains city employees and distributes materials needed to clean up small spills of potentially dangerous materials on city property. The department also assists businesses which helps achieve voluntary compliance with applicable fire codes and hazardous materials handling processes. In addition, the department helps prevent the destruction of desert vegetation by effectively fighting wildfires.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Administration	14.00	14.00	14.00	14.00	14.00
Operations	482.00	482.00	485.00	520.00	541.00
Fire Prevention and Community Safety	36.00	36.00	39.00	43.00	47.00
Support Services	25.00	25.00	19.00	19.00	19.00
Education and Technology	15.00	15.00	15.00	16.00	16.00
Department Total	572.00	572.00	572.00	612.00	637.00

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
COMMISSIONED OFFICERS BY CLASSIFICATION					
Fire Chief	1.00	1.00	1.00	1.00	1.00
Fire Battalion Chief - Assignment: Assistant Fire Chief	5.00	5.00	5.00	5.00	5.00
Fire Battalion Chief - Assignment Staff	7.00	7.00	7.00	7.00	7.00
Fire Battalion Chief	12.00	12.00	12.00	12.00	12.00
Fire Captain - Assignment: Eight Hour	6.00	6.00	6.00	6.00	6.00
Fire Captain - Assignment: Training Officer	5.00	5.00	5.00	5.00	5.00
Fire Captain - Assignment: Hazardous Material/Technical Rescue Team	15.00	15.00	15.00	21.00	21.00
Fire Captain	88.00	88.00	88.00	89.00	93.00
Fire Engineer - Assignment: Hazardous Material/Technical Rescue Team	18.00	18.00	18.00	24.00	24.00
Paramedic - Assignment: Hazardous Material/Technical Rescue Team	12.00	12.00	12.00	12.00	12.00
Fire Prevention Inspector - Assignment: Hazardous Material/Technical Rescue Team	6.00	6.00	6.00	6.00	6.00
Fire Engineer	81.00	81.00	81.00	82.00	86.00
Paramedic	96.00	96.00	96.00	119.00	122.00
Fire Prevention Inspector	19.00	19.00	19.00	23.00	27.00
Fire Fighter - Assignment: Hazardous Material/Technical Rescue Team	30.00	30.00	30.00	45.00	45.00
Fire Fighter	125.00	125.00	125.00	108.00	118.00
Commissioned Officers Total	526.00	526.00	526.00	565.00	590.00

FINANCIAL SUMMARY

Administration	\$ 1,546,703	\$ 1,549,160	\$ 1,653,810	\$ 1,638,200	\$ 1,699,780
Operations	37,894,226	37,122,610	38,920,990	41,864,910	46,416,450
Fire Prevention and Community Safety	2,640,801	3,002,650	2,910,260	3,894,930	4,171,910
Support Services	4,043,629	4,103,740	3,458,170	6,217,490	6,484,800
Education and Technology	1,530,271	2,164,980	1,730,480	3,262,470	3,351,570
Operating Total	47,655,630	47,943,140	48,673,710	56,878,000	62,124,510
Capital Improvements	870,291	9,189,500	1,887,310	8,941,800	480,000
Department Total	\$ 48,525,921	\$ 57,132,640	\$ 50,561,020	\$ 65,819,800	\$ 62,604,510

FIRE**Department Resources (Continued)**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
CHARACTER OF EXPENDITURES					
Personal Services	\$ 41,573,668	\$ 41,618,760	\$ 43,217,140	\$ 47,340,720	\$ 52,424,590
Services	3,363,069	3,743,960	3,483,130	4,730,150	4,782,250
Commodities	2,273,891	2,268,860	2,203,880	2,680,310	2,735,370
Equipment	178,520	473,300	441,300	2,298,000	2,353,000
Inter-Activity Transfers	266,482	(161,740)	(671,740)	(171,180)	(170,700)
Operating Total	47,655,630	47,943,140	48,673,710	56,878,000	62,124,510
Capital Improvements	870,291	9,189,500	1,887,310	8,941,800	480,000
Department Total	\$ 48,525,921	\$ 57,132,640	\$ 50,561,020	\$ 65,819,800	\$ 62,604,510

SOURCE OF FUNDS**OPERATING FUNDS**

General Fund	\$ 45,992,792	\$ 45,612,060	\$ 46,905,600	\$ 51,530,590	\$ 56,668,000
Certificates of Participation (COPS)	-0-	-0-	-0-	464,000	464,000
Miscellaneous Federal Grants	442,095	-0-	200,430	-0-	-0-
Miscellaneous Non-Federal Grants	-0-	350,000	-0-	350,000	350,000
Public Safety Academy Fund: General Fund Contribution	1,209,108	1,821,080	1,565,030	2,673,410	2,727,510
Public Safety Academy Fund: Other Agency Fees	11,635	160,000	2,650	160,000	160,000
Fleet Replacement - Certificates of Participation	-0-	-0-	-0-	1,700,000	1,755,000
Operating Funds Total	\$ 47,655,630	\$ 47,943,140	\$ 48,673,710	\$ 56,878,000	\$ 62,124,510

CAPITAL FUNDS

1984 General Obligation Bond Funds	\$ 70,885	\$ -0-	\$ 33,090	\$ -0-	\$ -0-
1994 General Obligation Bond Funds	11,432	-0-	12,950	11,400	-0-
1994 General Obligation Bond Funds - Interest	42	-0-	-0-	303,900	200,000
2000 General Obligation Bond Funds	772,042	7,645,700	1,163,430	7,098,700	-0-
2000 General Obligation Bond Funds - Interest	-0-	-0-	-0-	-0-	280,000
Certificates of Participation	15,890	1,543,800	677,840	1,527,800	-0-
Capital Funds Total	\$ 870,291	\$ 9,189,500	\$ 1,887,310	\$ 8,941,800	\$ 480,000
Department Total	\$ 48,525,921	\$ 57,132,640	\$ 50,561,020	\$ 65,819,800	\$ 62,604,510

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$56,878,000 reflects an increase of \$8,934,860 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment (2.8% for commissioned officers), coverage for health insurance and pension increases. Other significant changes are as follows:

- ◆ To upgrade the fleet of fire trucks, \$1,700,000 is added, funded with certificates of participation, to replace aging apparatus deferred in prior years.
- ◆ Emergency response capabilities will be improved when two new fire stations are opened mid-year at a cost of \$1,278,000, and adding 35 officers.
- ◆ To meet firefighter staffing needs for the new stations and to replace commissioned officers planning to retire, \$1,000,000 is added for new recruit training.
- ◆ A change in the formula for allocating maintenance and related facility costs will result in a \$401,890 transfer from the General Services Department.
- ◆ To increase fire safety inspections, four positions are added at a cost of \$390,190.
- ◆ Increases in the price of fuel and fleet maintenance costs add \$155,320.
- ◆ To improve paramedic and hazardous materials response, \$131,580 is added to the budget.
- ◆ Increasing technology demands require the addition of an information technology manager for \$69,300.

The Fiscal Year 2005 Capital Budget of \$8,941,800 funds the completion of new fire stations funded with general obligation bonds and mobile data terminals funded with certificates of participation.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$62,124,510 includes an increase of \$5,246,510 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance and pension increases. Other significant changes include:

- ◆ Emergency response capabilities will be improved by the addition of a ladder company staffed by 14 officers at Station 20 at a cost of \$747,700 and a paramedic company at Station 21 with seven offices at a cost of \$520,000.
- ◆ Four additional prevention positions are added for \$342,000 to continue enhancing fire safety inspections.

The Fiscal Year 2006 Capital Budget of \$480,000 completes upgrades to older fire stations.

FIRE**ADMINISTRATION**

MISSION STATEMENT: The Administration Division provides direction and policy to ensure the prevention and extinguishment of fires, and the provision of emergency medical services, environmental protection, and code enforcement to the community; and responsibly administers all fiscal operations and personnel policies, procedures, and actions.

The Advanced Life Support Cost Recovery section recovers partial costs of advanced life support ambulance services to the community, and ensures paperwork is complete for billing purposes.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Manage and maintain the facilities, equipment, and fire and support personnel to provide fire protection, medical response, and other services to the community.					
• Number of fire stations	18	18	18	20	20
• Number of engine companies	18	18	18	19	20
• Number of paramedic/engine companies	1	1	1	2	1
• Number of paramedic companies	13	12	13	14	15
• Number of ladder companies	7	7	7	7	7
• Number of commissioned department personnel	526	547	526	561	582
• Number of non-commissioned department personnel	46	46	46	46	46
Submit invoices for advanced life support ambulance transports.	16,752	18,375	16,056	15,708	15,534
Key Outcomes					
Provide additional companies to serve the community.	-0-	-0-	-0-	3	2
Recover costs for advanced life support/ambulance service.					
• Collection rate	87%	80%	70%*	70%*	70%*
• Dollars collected (\$000s)	\$ 4,984	\$ 6,032	\$ 5,786	\$ 5,931	\$ 6,109

*Rate reduction due to different method of calculating the collection rate.

RESOURCE SUMMARY

Position Resources	14.00	14.00	14.00	14.00	14.00
Financial Resources					
General Fund	\$ 1,546,703	\$ 1,549,160	\$ 1,653,810	\$ 1,638,200	\$ 1,699,780

OPERATIONS

MISSION STATEMENT: The Operations Division protects the lives and property of the citizens of Tucson by responding promptly to all fire and medical emergencies with an adequate number of personnel and equipment, and consistently using up-to-date tactics and strategies needed to mitigate those emergencies; ensures the public's safety through a comprehensive program of pre-fire planning inspections, and presentation of public education programs that increase fire and life safety awareness in the community; and manages resources to effectively meet the evolving emergency medical needs of the community.

Through the use of continuous training and educational programs for paramedics and emergency medical technicians, participation in medical research projects, and utilization of the most current medical equipment and technologies, the public is ensured of receiving first-rate professional emergency medical services.

The division provides disaster preparedness oversight for the city and metropolitan area, and manages significant resources to coordinate and train the various disciplines included in this work. It also provides an organizational framework to enable all members to operate in a safe and healthy work environment. The division manages a prevention program to reduce the incidence and severity of accidents, injuries, and occupational illnesses.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Answer emergency calls.	67,151	71,000	72,500	74,000	75,500
Respond to structure fires (house, apartment, building).	625*	286	675*	700*	725*
Respond to requests for paramedic services.	29,243	36,200	31,000	31,400	31,800
Respond to calls concerning people experiencing cardiac arrests.	705	644	725	750	775
Investigate/review infectious disease exposures.					
• Number of members exposed	61	110	60	55	55
• Number of exposure incidents	20	50	40	35	35
Coordinate medical/physical evaluations for all commissioned staff.					
• Number of medical/physical evaluations completed	434	530	526	561	582
Key Outcomes					
Respond to emergency calls by arriving at scene within five minutes of dispatch (average response time is 4.6 minutes).					
• Percent of timely response	95%	95%	95%	95%	95%

*Variance due to how data is being gathered.

FIRE

Operations (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Arrive at scene within eight minutes of dispatch for advanced life support response (American Heart Association standard). Average response time is 5.5 minutes.					
• Percent of timely response	85%	85%	86%	90%	90%
Provide cardiopulmonary resuscitation for citizens suffering cardiac arrest.					
• Percent of patients saved that were suffering bystander-witnessed cardiac arrests	50%	40%	50%	50%	50%
• Number of those lives saved	12	16	25	30	35
• Percent of patients saved that were suffering cardiac arrests not witnessed by bystanders	10%	20%	12%	14%	16%
• Number of those lives saved	4	14	6	8	10
Identify fire fighters needing aerobic capacity/cardiac function improvement.					
• Percent needing improvement	3%	15%	2%	1%	0%

RESOURCE SUMMARY

Position Resources	482.00	482.00	485.00	520.00	541.00
Financial Resources					
General Fund	\$ 37,537,499	\$ 37,122,610	\$ 38,738,490	\$ 41,504,910	\$ 46,056,450
Certificates of Participation	-0-	-0-	-0-	360,000	360,000
Miscellaneous Federal Grants	356,727	-0-	182,500	-0-	-0-
Financial Resources Total	\$ 37,894,226	\$ 37,122,610	\$ 38,920,990	\$ 41,864,910	\$ 46,416,450

FIRE PREVENTION AND COMMUNITY SAFETY

MISSION STATEMENT: The Fire Prevention and Community Safety Division promotes public safety by administering fire codes and standards, conducting regular building inspections, and providing prompt detection and enforced compliance of code violations. The division ensures compliance with federal and state regulations regarding fire and environmental hazards through extensive inspection, enforcement, reporting, and cooperation with responsible agencies to promote and maintain a safer community. The division addresses major health and safety risk areas such as injury prevention, child safety, safety equipment, juvenile firesetters, and other educational opportunities.

The division seeks to reduce the crime of arson by conducting comprehensive investigations of all suspicious fires, securing all available evidence for prosecution by the responsible agency, and promoting fire safety and prevention education for all citizens.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Conduct fire code inspections on commercial buildings.					
• Number inspected	2,828	3,200	3,200	3,200	3,200
Provide safety/educational classes to the community.	626	500	550	550	550
Respond to all fire code complaints from citizens.					
• Number of complaints	590	600	613	600	600
Investigate fires to determine cause and origin.					
• Number of fires investigated	412	500	450	460	470
Key Outcomes					
Promote public safety through fire code enforcement.					
• Percent of commercial buildings inspected	10%	12%	12%	14%	14%
• Percent of citizen code complaints addressed within five days	100%	100%	100%	100%	100%
Promote public safety through public education.					
• Number of community contacts through educational programs	124,231	81,000	95,000	95,000	95,000
Report fires determined to be arson to the Tucson Police Department.	218	260	240	245	250

FIRE

Fire Prevention and Community Safety (Continued)

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	36.00	36.00	39.00	43.00	47.00
Financial Resources					
General Fund	\$ 2,555,433	\$ 2,652,650	\$ 2,892,330	\$ 3,440,930	\$ 3,717,910
Certificates of Participation	-0-	-0-	-0-	104,000	104,000
Miscellaneous Federal Grants	85,368	-0-	17,930	-0-	-0-
Miscellaneous Non-Federal Grants	-0-	350,000	-0-	350,000	350,000
Financial Resources Total	\$ 2,640,801	\$ 3,002,650	\$ 2,910,260	\$ 3,894,930	\$ 4,171,910

SUPPORT SERVICES

MISSION STATEMENT: The Support Services Division maintains adequate inventories of organizational supplies and equipment; distributes supplies as required to sustain around-the-clock routine and emergency operations; and maintains all vehicles and equipment in a fully functional condition to ensure safe, consistent, and prompt responses of emergency field operations.

KEY MEASURES OF PERFORMANCE

Key Outputs

Perform preventive maintenance checks on all fire apparatus and support equipment.

• Number of preventive maintenance checks done	855	942	864	873	890
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Perform unscheduled and emergency repairs on all front-line apparatus.

• Number of repairs	1,465	1,520	1,494	1,524	1,554
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Key Outcomes

Ensure that front-line apparatus and equipment is available at all times.

• Percent of apparatus available	91%	90%	90%	90%	91%
• Percent of equipment available	91%	90%	90%	90%	91%

Support Services (Continued)

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	25.00	25.00	19.00	19.00	19.00
Financial Resources					
General Fund	\$ 4,043,629	\$ 4,103,740	\$ 3,458,170	\$ 4,517,490	\$ 4,729,800
Fleet Replacement - COPS	-0-	-0-	-0-	1,700,000	1,755,000
Financial Resources Total	\$ 4,043,629	\$ 4,103,740	\$ 3,458,170	\$ 6,217,490	\$ 6,484,800

EDUCATION AND TECHNOLOGY

MISSION STATEMENT: The Education and Technology Division ensures that the uniformed members of the Tucson Fire Department are highly trained and qualified at both the entry and incumbent levels. It provides career enhancement opportunities for all members to ensure well-trained public servants.

Fire fighter, driver operator, and specialty training offered to other fire departments, districts, and agencies providing those kinds of services will serve to make the City of Tucson Public Safety Training Academy a regional training facility.

The division oversees the collection, storage, and dissemination of all Fire Department data management and information needs. It provides support to the entire department by designing, maintaining, and supplying specialized mapping and drawing information. The Management Information Section ensures the quality control and integrity of data for fire data management systems, and administers and manages the department's computers and network.

KEY MEASURES OF PERFORMANCE

Key Outputs

Train new recruits to be qualified fire fighters.

• Number of recruits	-0-	50	20	70	70
• Hours of training per recruit	-0-	848	848	848	848

Provide continuing education classes for uniformed members.

• Hours of training	48	48	48	48	48
• Number of personnel	442	526	508	550	575

Provide advanced driver training and refresher courses to department members.

• Hours of training	12	24	31	4	28
• Number of employees	35	125	510	550	610

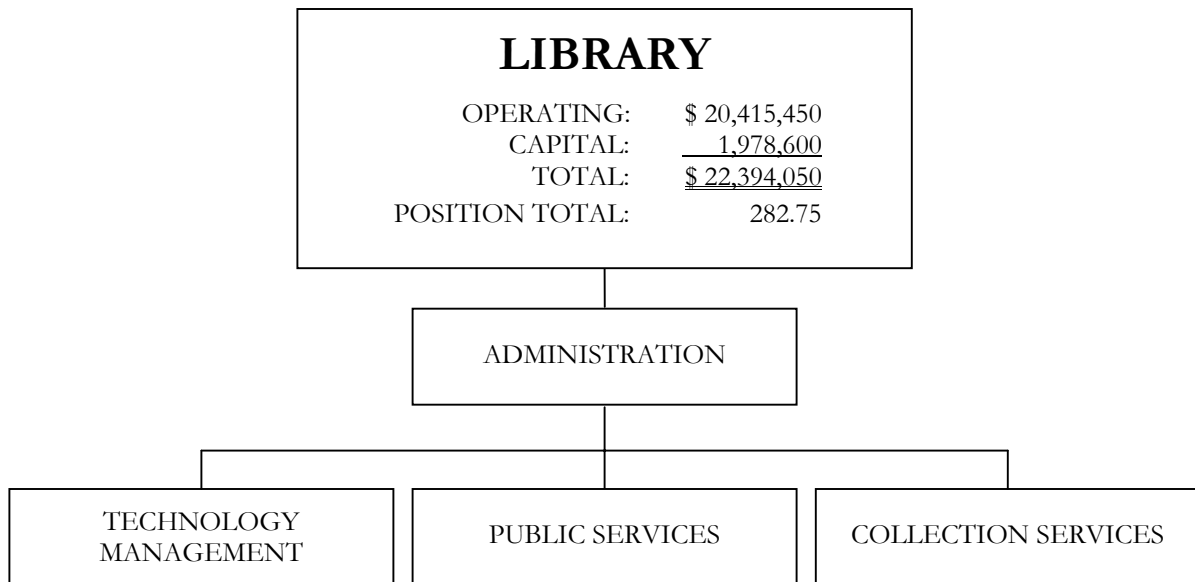
FIRE

Education and Technology (Continued)**KEY MEASURES OF PERFORMANCE**

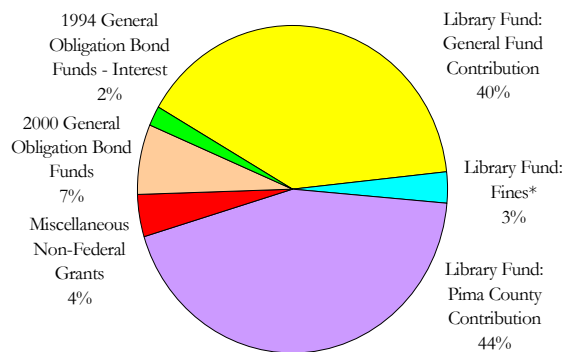
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Provide services for management information (includes drafting, records, and computer hardware and software).					
• Number of requests	8,001	8,196	8,300	8,400	8,500
Key Outcomes					
Enhance staff capability through training and education.					
• Percent of qualified recruits graduating	N/A	78%	80%	80%	80%
• Total hours of continuing education	21,216	28,800	24,384	26,400	27,600
• Total hours of driver training	420	3,000	15,810	2,200	17,080

RESOURCE SUMMARY

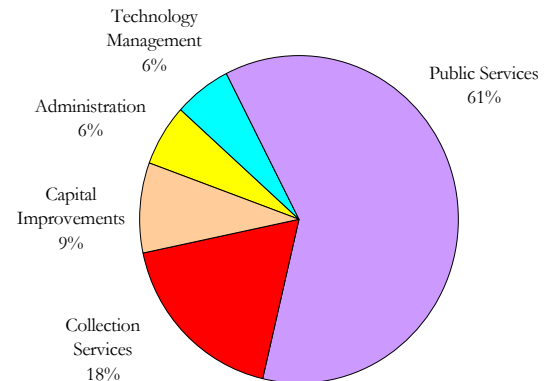
Position Resources	15.00	15.00	15.00	16.00	16.00
Financial Resources					
General Fund	\$ 309,528	\$ 183,900	\$ 162,800	\$ 429,060	\$ 464,060
Public Safety Academy Fund: General Fund Contribution	1,209,108	1,821,080	1,565,030	2,673,410	2,727,510
Public Safety Academy Fund: Other Agency Fees	11,635	160,000	2,650	160,000	160,000
Financial Resources Total	<u>\$ 1,530,271</u>	<u>\$ 2,164,980</u>	<u>\$ 1,730,480</u>	<u>\$ 3,262,470</u>	<u>\$ 3,351,570</u>



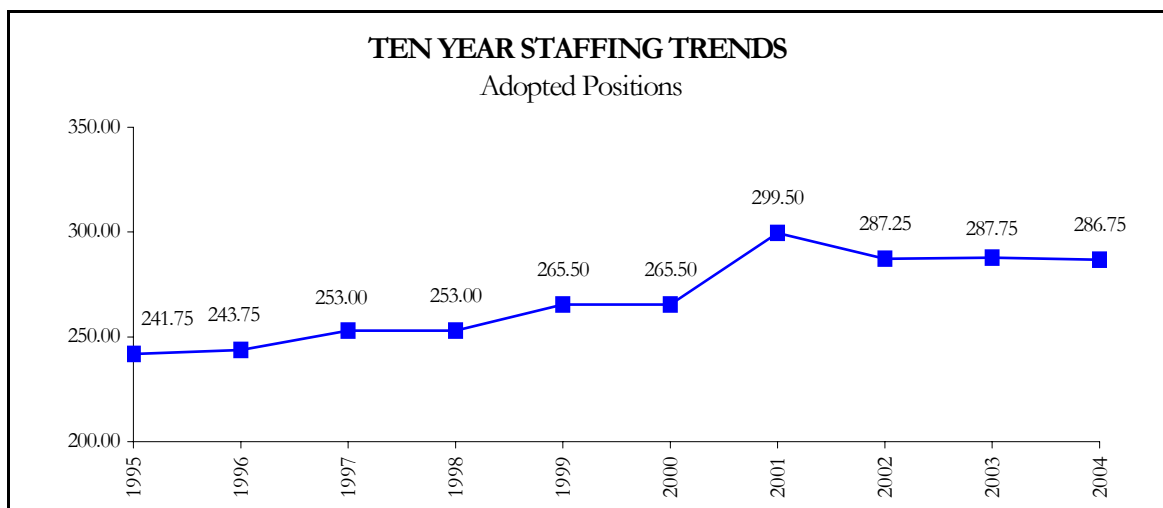
FINANCING PLAN



PROGRAM ALLOCATION



*Library fees previously included as part of the General Fund Contribution are now shown separately.



LIBRARY

MISSION STATEMENT: To provide City of Tucson and Pima County residents with free and equitable access to the information resources needed for full participation in the community and for the enrichment of individual lives.

OVERVIEW

The Library Department provides access to information, promotes literacy and a love of reading, and supports lifelong learning through collections of materials and computer resources in 23 permanent facilities, a variety of outreach activities, and by providing staff to assist customers with materials and services. Library services are provided to all Pima County residents through an intergovernmental agreement between the City of Tucson and the Pima County Free Library District and in partnership with other community information providers. The divisions within the department are Administration, Technology Management, Public Services, and Collection Services.

DEPARTMENT HIGHLIGHTS

Through a community-supported strategic plan, the Library Department developed a vision statement, core values, and the following six strategic directions for 2004-2009.

- Encourage Lifelong Learning
- Create a Community Gathering Place
- Provide General Information
- Promote Cultural Awareness
- Obtain Current Topics and Titles
- Support Business and Workforce Development

The Golf Links and Bear Canyon branch libraries are undergoing expansions in 2005 to increase services to the eastside population. The 10,000 square foot Quincie Douglas Branch at 36th Street and Kino Boulevard is under construction and scheduled to open in July 2005. Plans for the Midtown Library and Learning Center are progressing and the opening is scheduled for the summer of 2005.

As part of the Library Department's ongoing efforts to improve efficient and effective customer service, a self-checkout system is being implemented. This allows library users to check out their books without waiting in a long line. The Library Department is also implementing a self-signup system that will allow customers to reserve time on a public computer to search the Internet, send e-mail, and use word processing and other programs.

The Library Department is partnering with the Tucson Botanical Gardens on "Desert Connections," a three-year leadership grant from the Institute of Museum and Library Services. The project includes programs for adults and children designed to educate them about native wildflowers, butterflies, and birds.

SUPPORT FOR LIVABLE TUCSON GOALS***Goal: Caring, Healthy, Families and Youth:***

The Library Department has several programs that target youth and families such as Project LIFT (Literacy Involves Families Together), which targets teen parents to promote reading as a positive recreational activity. Story times introducing children and parents to language and reading are offered at all library locations. Collaborative efforts with community agencies and other city and county departments include working with area schools, the Boys and Girls Clubs of Tucson, and the city and county Parks and Recreation Departments to provide homework help centers for children and teens; partnering with Child and Family Resources (CFR) to promote library resources to parents and develop reading skills in children; and in-service training programs for staff at CFR after-school programs. The Library collaborates with the City of Tucson Fire Department to bring story times on fire safety to branch libraries. The Library Department conducts a family literacy program called Motherread® at the Pima County Adult Detention Center.

***Goal: Successful Downtown:***

The Joel D. Valdez Main Library, in the heart of downtown, is an educational and cultural center. It provides unique collections, specialized services, and a selection of programs in arts, humanities, and social issues for all ages. The Jácome Plaza adjacent to the Main Library is the venue for festivals, public performances, musical concerts, and special events. In the past year it has been the site for the Tucson Fire Department's Chili Cookoff, the Tucson Heritage Festival, Día de los Niños/Día de los Libros Festival, and the Holiday Parade festivities, to name just a few of the notable events. Renovations to the plaza were completed in December 2003 with Back to Basics funding. The first floor of the library houses the Gallery, a constantly changing showcase for new and emerging local artists. The second floor includes a Teen Resource Center, designed by teens for teens. The Main Library is a destination point for school tours, community groups, history buffs, grant seekers, business entrepreneurs, avid readers, educators, Internet searchers, and parents. Over 50,000 people visit this library each month. The Main Library works to maintain a safe, pleasant environment for people to visit and enjoy.

***Goal: Reduced Poverty and Increased Equality of Opportunity:***

Library Department programs such as the Bookmobile, Books-by-Mail, and Homebound Services take resources to those who cannot easily visit a library. The Tucson-Pima Public Library offers many services that enable library users with special needs to access materials and information. A variety of assist technologies is available at the Main Library and at branch libraries throughout the system. People who do not own computers visit the libraries regularly for access to electronic resources, to prepare resumes and find employment resources, and to increase their information technology skills through computer classes taught by library staff. Enhanced technology provides popular service options for customers. People can now register for a library card, and reserve and renew materials online. Several branches offer self-service reserves and self-check-out options for customers. Teens who were trained to be library advocates gave 40 presentations about Tucson-Pima Public Library (TPPL) services and resources to 1,317 people, mostly middle and high school students.

***Goal: Respected Historical and Cultural Resources:***

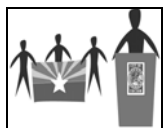
The Joel D. Valdez Main Library maintains two collections of significant relevance to our local history and culture: the Steinheimer Collection of Southwest Children's Books (2,900 books) and the Arizona Collection (4,650 items of cultural history in Southeast Arizona and Pima County). In addition, the Library Department's online catalog is able to access the specialized collections at the University of Arizona and Pima Community College. The library system partners with the area museums, cultural organizations, Friends of the Tucson-Pima Public Library, and the Arizona Humanities Council to bring engaging cultural and historical programming to audiences of all ages.

Support for Livable Tucson Goals (Continued)



Goal: Strong Local Business:

The Joel D. Valdez Main Library has an extensive reference section and a business librarian to help local business and aspiring entrepreneurs. The business services' staff actively collaborates with the Greater Tucson Economic Council (GTEC), the Greater Tucson Strategic Partnership for Economic Development (GTSPED), the Tucson Urban League, Pima Community College's Small Business Development Training Center, and the Service Corps of Retired Executives (SCORE). Outreach is provided to business groups to inform the community about available services. Recent outreach efforts have targeted the U.S. Department of Commerce through their Nuts and Bolts project, the American Indian Chamber of Commerce, the Tucson Black Chamber of Commerce, the Tucson Hispanic Chamber of Commerce, and the Small Business Fair. Public access computers are available at all library locations and are widely used by small local businesses for research and other start-up tasks. The young adult services librarians recruit and train high school students to be advocates on behalf of the library. The advocates gain knowledge about the library and develop public-speaking skills. A number of high school students gained important job experience by working as computer aides in branches and the Teen Resource Center at the Main Library.



Goal: Engaged Community and Responsive Government:

Free community and neighborhood meeting space is provided at each library. The Library Department encourages participation in civic and social events by making information available to all. Managing librarians sent letters of introduction to presidents of neighborhood associations; a number of librarians have given presentations to neighborhood and homeowner associations that meet in the library. The library promoted community involvement through Make a Difference Day, in partnership with the Arizona Daily Star, the Friends of the Tucson-Pima Public Library, and the Tucson Area Literacy Coalition. In January 2004, the departments participated in the Family Arts Festival. The Library Department collaborated with the Human Resources Department in the Team Powered Service pilot project. This project identified standards of excellent customer service and is now being implemented in other city departments. Local, state, and federal government information is available through the Internet or in the Reference Department of the Main Library. Ongoing partnerships include area museums, Child and Family Resources, City of Tucson Parks and Recreation, the Tucson Fire Department, and Wingspan.



Goal: Excellent Public Education:

The Library Department works closely with schools and offers programs to help insure that our children are getting the best education possible. The Homework Help program, visits to schools by librarians, joint meetings with educators, and tours of libraries for school children are examples of these efforts. Library computer labs give students better opportunities to complete research or produce reports for school assignments. Librarians work closely with teachers to provide access to books on school reading lists. For 20 years, the Summer Reading Club has helped reinforce children's reading skills throughout the summer months.

LIBRARY**DEPARTMENT RESOURCES**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Administration	15.50	15.50	15.50	15.50	15.50
Technology Management	9.50	9.50	9.50	9.50	9.50
Public Services	195.00	190.00	190.00	186.00	205.50
Collection Services	18.50	18.50	18.50	18.50	18.50
Permanent Total	238.50	233.50	233.50	229.50	249.00
NON-PERMANENT					
Technology Management	1.75	1.75	1.75	1.75	1.75
Public Services	47.00	47.00	47.00	47.00	50.00
Collection Services	4.50	4.50	4.50	4.50	4.50
Non-Permanent Total	53.25	53.25	53.25	53.25	56.25
Department Total	291.75	286.75	286.75	282.75	305.25

FINANCIAL SUMMARY

Administration	\$ 1,175,507	\$ 1,198,780	\$ 1,000,990	\$ 1,253,160	\$ 1,317,080
Technology Management	1,218,649	1,293,800	1,277,160	1,350,820	1,397,570
Public Services	12,069,795	13,143,980	12,918,120	13,654,580	16,246,150
Collection Services	4,330,297	4,147,420	4,083,030	4,156,890	4,549,280
Operating Total	18,794,248	19,783,980	19,279,300	20,415,450	23,510,080
Capital Improvements	188,227	2,464,000	3,226,780	1,978,600	125,000
Department Total	\$ 18,982,475	\$ 22,247,980	\$ 22,506,080	\$ 22,394,050	\$ 23,635,080

CHARACTER OF EXENDITURES

Personal Services	\$ 12,921,925	\$ 13,025,700	\$ 12,578,360	\$ 13,592,860	\$ 15,821,550
Services	2,043,382	2,079,160	2,073,920	2,067,540	2,326,720
Commodities	3,706,895	3,621,680	3,640,680	3,636,810	4,223,570
Equipment	122,046	118,240	129,240	118,240	118,240
Other	-0-	(60,800)	(60,800)	-0-	20,000
Inter-Activity Transfers	-0-	1,000,000	917,900	1,000,000	1,000,000
Operating Total	18,794,248	19,783,980	19,279,300	20,415,450	23,510,080
Capital Improvements	188,227	2,464,000	3,226,780	1,978,600	125,000
Department Total	\$ 18,982,475	\$ 22,247,980	\$ 22,506,080	\$ 22,394,050	\$ 23,635,080

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
SOURCE OF FUNDS					
OPERATING FUNDS					
Library Fund: General Fund Contribution	\$ 8,778,077	\$ 8,290,300	\$ 9,088,970	\$ 9,005,120	\$ -0-
Library Fund: Fines*	548,150	654,370	566,000	570,000	570,000
Library Fund: Pima County Contribution	9,195,285	10,339,310	9,115,570	9,840,330	21,940,080
Miscellaneous Federal Grants	79,102	-0-	36,290	-0-	-0-
Miscellaneous Non-Federal Grants	193,634	500,000	472,470	1,000,000	1,000,000
Operating Funds Total	\$ 18,794,248	\$ 19,783,980	\$ 19,279,300	\$ 20,415,450	\$ 23,510,080
CAPITAL FUNDS					
2000 General Obligation Bond Funds	\$ 188,227	\$ 1,864,000	\$ 2,858,830	\$ 1,628,600	\$ -0-
1994 General Obligation Bond Funds - Interest	-0-	600,000	367,950	350,000	125,000
Capital Funds Total	\$ 188,227	\$ 2,464,000	\$ 3,226,780	\$ 1,978,600	\$ 125,000
Department Total	\$ 18,982,475	\$ 22,247,980	\$ 22,506,080	\$ 22,394,050	\$ 23,635,080

*Fiscal Years 2003 and 2004 data have been revised to separately report the Library fees previously included as part of the General Fund Contribution.

Note: The sources of funds for Fiscal Year 2006 reflects full funding of Library operations by the Pima County Library District Tax, except for \$570,000 in Library fines. As a result, there is no city general fund contribution.

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$20,415,450 is an increase of \$631,470 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases. Other significant changes are as follows:

- ◆ A change in the formula for allocating maintenance and related facility costs will result in a \$110,760 transfer from the General Services Department.
- ◆ Self check-out systems installed at five libraries to improve book security, customer service, and staff efficiencies will save \$114,000 and four positions.

The Fiscal Year 2005 Capital Budget of \$1,978,600 completes the voter authorized bond program for Library.

LIBRARY

Significant Changes (Continued)

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$23,510,080 is an increase of \$3,094,630 from Fiscal Year 2005. The Fiscal Year 2006 budget is based on proposing full funding of the Library system from Library District taxes. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases. Significant changes to expenditures are as follows:

- ◆ Full year funding for the Quincie Douglas Library and the Midtown Library and Learning Center adds \$883,900, including 15 positions.
- ◆ Expanding and standardizing library hours and services adds \$550,540, including 10.5 positions.
- ◆ The book replacement budget increases by \$318,910 to \$3 million.
- ◆ Replacing furniture and computer equipment that is no longer serviceable adds \$249,000.
- ◆ Increasing security for library customers adds \$160,000 to the budget.
- ◆ Self check-out systems installed at four libraries will save \$85,000 and eliminate 3 positions.

The Fiscal Year 2006 Capital Budget funds improvements to the Main Library Plaza.

ADMINISTRATION

MISSION STATEMENT: The Administration Division provides leadership and management support for the library system through planning, facilities management, fiscal and personnel services, and coordination with city and county governments and the Library Board; collaborates with other libraries and educational and cultural organizations; and responds to, or initiates, major partnership efforts to improve information delivery in the community.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Administer the private custodial, grounds maintenance, and security contracts, and coordinate the work of city and county public buildings departments to ensure safe, clean, well-maintained libraries for citizens to use and enjoy.					
• Number of libraries	21	22	23	23	25
Provide new, remodeled, and renovated libraries.	2	1	1	1	2
Prepare major planning documents (i.e., strategic planning, facilities planning, and funding plan documents).	1	1	1	1	1

Administration (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Maintain ongoing major partnerships with governmental and community agencies.	9	6	6	6	6
Provide support for library organizations and agencies such as the Library Board, Friends of the Library groups, the Tucson-Pima Library Foundation, and the Arizona State Library.	7	9	9	7	7

Key Outcomes

Meet the community's need for library services.

• Number of open libraries	22	23	23	23	25
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RESOURCE SUMMARY

Position Resources	15.50	15.50	15.50	15.50	15.50
Financial Resources					
Library Fund: General Fund Contribution	\$ 585,253	\$ 622,470	\$ 523,580	\$ 649,060	\$ -0-
Library Fund: Pima County Contribution	590,254	576,310	477,410	604,100	1,317,080
Financial Resources Total	\$ 1,175,507	\$ 1,198,780	\$ 1,000,990	\$ 1,253,160	\$ 1,317,080

TECHNOLOGY MANAGEMENT

MISSION STATEMENT: The Technology Management Division installs, manages, and maintains the department's computer resources and network connections, including the integrated online catalog, Web servers, Internet connections, and workstations (computers and terminals) in order to provide the public and staff with access to the Library Department and remote resources both within library facilities and from home.

KEY MEASURES OF PERFORMANCE**Key Outputs**

Provide computer access to the Internet, library catalog, and remote databases for the public.

• Computers used by the public or to directly assist the public	405	405	305	383	383
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LIBRARY

Technology Management (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Provide computer access to the Internet, library catalog, remote databases, and the City of Tucson computer network for staff.					
• Staff computers	195	203	203	203	195
Provide information about the library and information resources through the Internet.					
• Number of Web pages created and maintained by library staff*	3,825	3,825	5,432	5,400	5,500
Key Outcomes					
Maintain on-line access to library information.					
• Number of connections to the library home page from home, school, or library (000s)	1,552	17,000	17,000	17,000	17,000
• Number of connections to the library catalog from home, school, or library (000s)	672	750	750	750	650
• Percent of time the on-line catalog and circulation system is available to the public	99%	99%	99%	99%	99%

*Increase due to more precise method of counting pages.

RESOURCE SUMMARY

Position Resources	11.25	11.25	11.25	11.25	11.25
Financial Resources					
Library Fund: General Fund Contribution	\$ 670,360	\$ 650,400	\$ 642,080	\$ 679,360	\$ -0-
Library Fund: Pima County Contribution	548,289	643,400	635,080	671,460	1,397,570
Financial Resources Total	<u>\$ 1,218,649</u>	<u>\$ 1,293,800</u>	<u>\$ 1,277,160</u>	<u>\$ 1,350,820</u>	<u>\$ 1,397,570</u>

PUBLIC SERVICES

MISSION STATEMENT: The Public Services Division, through a Main Library and 22 branch libraries, provides Tucson and Pima County residents with information and materials through lending services and computer access. The division develops and administers specialized services for all ages with emphasis on families, youth, and independent learners to promote opportunity in an increasingly information-based society. The Outreach Section takes library services and materials to locations other than Library Department facilities; strengthens educational, cultural, and literacy efforts throughout the community; and identifies new outreach opportunities by collaborating with schools, community organizations, and other city and county departments.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide Tucson residents and visitors with access to library materials, programs, and information.					
• Number of materials loaned (000s)	6,052	6,100	6,100	6,100	6,350
• Number of programs and story-times provided for children	3,274	3,500	2,500	3,000	3,400
• Number of library tours and programs provided for adults and teens	1,626	1,700	1,700	1,800	1,900
• Number of books and electronic resources used by customers in the library (000s)	12,000	12,500	12,500	12,500	12,500
• Number of classes offered to residents on basic computer skills, finding jobs on the Internet, writing resumes, consumer health, and conducting research for school assignments	606	630	600	600	630
• Number of hours Internet available to the public	24,070	24,320	24,320	24,070	24,070
Inform teenagers about library services by recruiting and training high school students to be library advocates (funded by the Wallace-Reader's Digest Funds' Public Libraries as Partners in Youth Development grant).					
• Number of youth library advocates	9	10	10	10	10
Provide workforce development by hiring and training low-income teens as library aides at the Main, Mission, Valencia, and Woods libraries (funded by the Wallace-Reader's Digest Funds' Public Libraries as Partners in Youth Development grant).					
• Number of youth library aides	10	10	10	10	10

LIBRARY

Public Services (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Provide youth with Homework Help in libraries, schools, recreation centers, and other agencies.					
• Number of participants*	8,952	24,000	9,000	9,000	9,000
Provide bookmobile, homebound, and books-by-mail services and family literacy programs to customers with limited or no ability to use a library branch.					
• Number of customers	10,377	15,000	15,000	12,000	12,000
Collaborate in community events (e.g., festivals and college nights) and provide information about library resources, reading, etc., to groups outside of the library.					
• Number of events and presentations	69	100	100	72	72
• Number of individual contacts	6,832	30,000	30,000	30,000	30,000
Participate in ongoing partnerships with other departments, schools, community agencies, and organizations to promote reading and literacy.					
• Number of partnerships	4	6	6	6	6
Provide family literacy programs to high school students and young parents.					
• Number of participants in Project LIFT (Literacy Involves Families Together)	3,691	750	750	750	750
Key Outcomes					
Provide Tucson residents and visitors with access to library materials, programs, and information in a variety of formats.					
• Number of library visitors at all branch libraries and the Main Library (000s)	3,499	6,800	6,800	6,500	6,800
• Number of reference/information questions answered via e-mail, phone, and in person	920,000	930,000	930,000	920,000	970,000
• Number of searches of local electronic resources and databases (000s)	887,745	887,745	475,000	475,000	500,000

*The Homework Help Program was reduced in Fiscal Year 2004.

Public Services (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
• Number of children maintaining their school reading levels by participating in the summer reading program	30,000	31,000	31,000	31,000	32,000
• Number of customers of all ages attending programs, storytimes, and tours to support language skills, literacy, and lifelong learning	170,645	150,000	150,000	150,000	160,000
• Percent of population having library cards	52%	54%	54%	54%	56%
Provide informative presentations by youth library advocates to youth groups, middle and high school classes, parent and faculty groups, etc. about library services.					
• Number of presentations	40	50	50	50	50
• Number of people contacted	1,317	1,250	1,250	1,250	1,230
Provide teens and others with opportunities to improve information technology skills through training programs on computer use taught by youth library aides and library staff at Main, Mission, Valencia, and Woods libraries.					
• Number of training programs	69	9	9	9	9
• Number of contacts	516	90	90	90	90
Support educational, cultural, and literacy efforts in the community.					
• Percent of youth reporting improved school grades	80%	75%	75%	75%	75%
• Percent of Project LIFT parents reporting more time spent on reading and reading-related activities with their children	70%	85%	85%	85%	85%

LIBRARY

Public Services (Continued)

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	242.00	237.00	237.00	233.00	255.50
Financial Resources					
Library Fund: General Fund Contribution	\$ 5,357,318	\$ 4,940,870	\$ 5,878,940	\$ 5,595,860	\$ -0-
Library Fund: Fines*	548,150	654,370	566,000	570,000	570,000
Library Fund: Pima County Contribution	5,891,591	7,048,740	5,964,420	6,488,720	14,676,150
Miscellaneous Federal Grants	79,102	-0-	36,290	-0-	-0-
Miscellaneous Non-Federal Grants	193,634	500,000	472,470	1,000,000	1,000,000
Financial Resources Total	\$ 12,069,795	\$ 13,143,980	\$ 12,918,120	\$ 13,654,580	\$ 16,246,150

*Fiscal Years 2003 and 2004 data have been revised to separately report the Library fees previously included as part of the General Fund Contribution.

COLLECTION SERVICES

MISSION STATEMENT: The Collection Services Division selects and purchases library materials to meet the needs of the community; catalogs and processes these materials to make them available to the public; works with Public Services Division staff to ensure that library collections are kept current and relevant to the needs of patrons; and processes interlibrary loans to borrow materials that are not available through the Library Department. Couriers move materials daily among all library locations making all materials available countywide.

KEY MEASURES OF PERFORMANCE

Key Outputs

Obtain library materials for use by the community.

• Number of new books and other materials delivered to branch libraries for public use	238,381	259,000	259,000	261,000	270,000
• Number of titles ordered	17,554	25,000	25,000	22,000	22,000
• Number of items borrowed from other libraries for customers	2,652	2,900	2,900	2,900	2,000

Deliver library materials countywide via courier service.

• Libraries served	22	23	23	23	25
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Collection Services (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outcomes					
Provide library materials that are current and relevant to the needs of our customers.					
• Percent of customers indicating satisfaction with the book and materials collections	N/A	85%	85%	85%	83%
• Percent of titles that appear on the “Best Books” lists that were purchased for the system	76%	90%	90%	90%	90%
• Number of items of library materials distributed for use by the community (000s)	1,414	1,400	1,400	1,350	1,470
• Number of unique titles available for library users	199,841	207,000	207,000	207,000	207,000

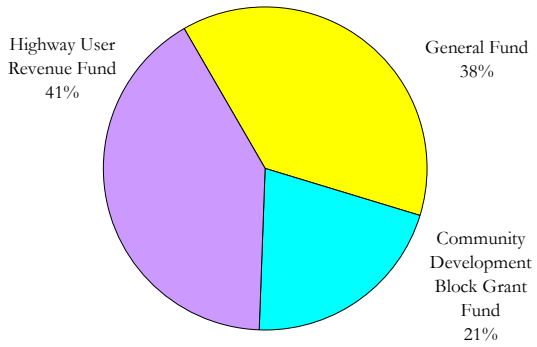
RESOURCE SUMMARY

Position Resources	23.00	23.00	23.00	23.00	23.00
Financial Resources					
Library Fund: General Fund Contribution	\$ 2,165,146	\$ 2,076,560	\$ 2,044,370	\$ 2,080,840	\$ -0-
Library Fund: Pima County Contribution	2,165,151	2,070,860	2,038,660	2,076,050	4,549,280
Financial Resources Total	<u>\$ 4,330,297</u>	<u>\$ 4,147,420</u>	<u>\$ 4,083,030</u>	<u>\$ 4,156,890</u>	<u>\$ 4,549,280</u>

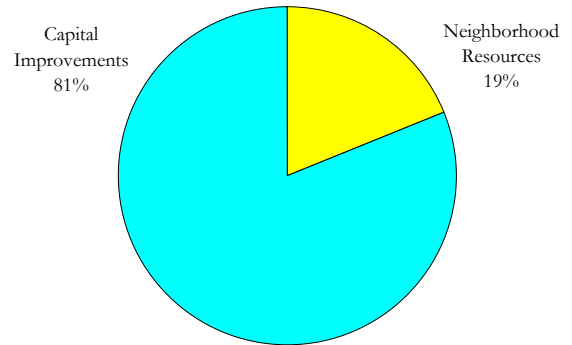
NEIGHBORHOOD RESOURCES

OPERATING:	\$ 2,499,610
CAPITAL:	<u>10,975,000</u>
TOTAL:	<u>\$ 13,474,610</u>
POSITION TOTAL:	20.00

FINANCING PLAN

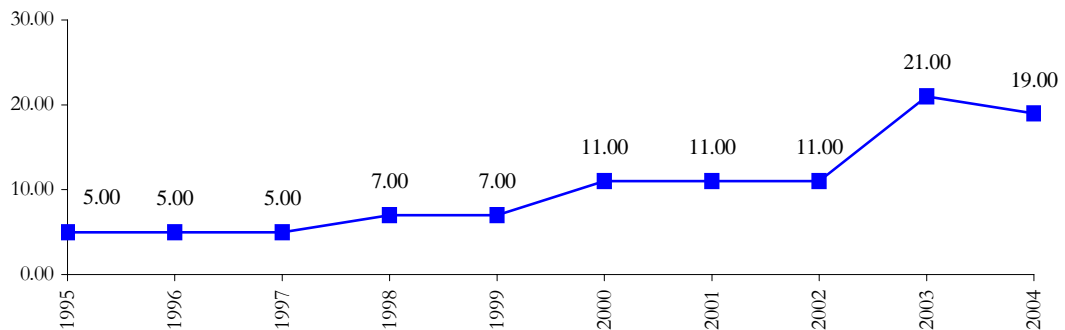


PROGRAM ALLOCATION



TEN YEAR STAFFING TRENDS

Adopted Positions



NEIGHBORHOOD RESOURCES

MISSION STATEMENT: To increase the capacity of neighborhoods to develop, improve, and solve problems by bringing city resources to their assistance and to identify other partners for neighborhoods to strengthen their support networks.

OVERVIEW

The Department of Neighborhood Resources (DNR) brings focused attention to priority neighborhood needs through the coordinated delivery of city services, improved communication with neighborhood residents and associations, increased partnerships with citizens and community groups, and the support and continued development of city initiatives. The department will administer ongoing programs such as the Graffiti Abatement Program in Tucson (GAPIT), Back to Basics, Slum Abatement and Blight Enforcement Response (SABER), Property and Housing Complaints, and youth programs.

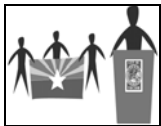
DEPARTMENT HIGHLIGHTS

The SABER program exceeded its numeric goal of abating slum and blighted properties. In conjunction with the Property and Housing Complaint section of Neighborhood Resources, 4,650 initial inspections were performed. Two inspectors have been added to better manage the caseload and an informational brochure has assisted the public in understanding our processes.

The improved mailing list and frequent electronic updates has increased the number of neighborhood associations availing themselves of Neighborhood Resources' services.

The Back to Basics program has benefited from monthly and programmatic reporting and frequent updates from participating departments to manage its more than 100 ongoing projects.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Engaged Community and Responsive Government

DNR effectively partners with other departments, agencies, and citizens to identify and deliver services and information to neighborhoods.



Goal: Caring, Healthy Families and Youth

DNR administers youth employment programs throughout the year in collaboration with Pima County's Community Services Department and private non-profit agencies. Youth employment and enrichment programs are coordinated through the ward offices and administered by DNR.



Goal: People-Oriented Neighborhoods

DNR provides registered neighborhoods with assistance such as mailings, meeting venues, logistics, and support for neighborhood activities. The Back to Basics Program seeks to improve the city's aging infrastructure and revitalize the social and economic dynamics of neighborhoods. The SABER Program and Property and Housing Complaints target residential properties and focus on code enforcement issues. Graffiti Abatement further enhances the quality of Tucson's neighborhoods by rapid response to incidents of graffiti.

NEIGHBORHOOD RESOURCES**DEPARTMENT RESOURCES**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Neighborhood Resources	21.00	19.00	19.00	20.00	20.00
Department Total	21.00	19.00	19.00	20.00	20.00

FINANCIAL SUMMARY

Neighborhood Resources	\$ 2,164,417	\$ 2,401,930	\$ 2,071,870	\$ 2,499,610	\$ 2,572,230
Operating Total	2,164,417	2,401,930	2,071,870	2,499,610	2,572,230
Capital Improvements	4,937,784	10,780,000	2,947,650	10,975,000	2,975,000
Department Total	\$ 7,102,201	\$ 13,181,930	\$ 5,019,520	\$ 13,474,610	\$ 5,547,230

CHARACTER OF EXPENDITURES

Personal Services	\$ 1,257,326	\$ 1,397,760	\$ 1,213,750	\$ 1,432,540	\$ 1,522,820
Services	406,990	417,570	383,620	562,990	547,140
Commodities	248,680	178,810	236,600	269,380	267,570
Other	251,412	224,700	224,700	224,700	224,700
Inter-Activity Transfers	9	183,090	13,200	10,000	10,000
Operating Total	2,164,417	2,401,930	2,071,870	2,499,610	2,572,230
Capital Improvements	4,937,784	10,780,000	2,947,650	10,975,000	2,975,000
Department Total	\$ 7,102,201	\$ 13,181,930	\$ 5,019,520	\$ 13,474,610	\$ 5,547,230

SOURCE OF FUNDS**OPERATING FUNDS**

General Fund	\$ 1,758,440	\$ 1,939,530	\$ 1,923,040	\$ 2,407,210	\$ 2,470,630
Community Development Block Grant Fund	313,577	370,000	56,430	-0-	-0-
Highway User Revenue Fund	92,400	92,400	92,400	92,400	101,600
Operating Funds Total	\$ 2,164,417	\$ 2,401,930	\$ 2,071,870	\$ 2,499,610	\$ 2,572,230

CAPITAL FUNDS

General Fund	\$ 2,593,624	\$ 3,700,000	\$ 670,010	\$ 2,700,000	\$ -0-
Capital Agreement Fund	42,775	-0-	-0-	-0-	-0-
Community Development Block Grant Fund	463,974	2,820,000	1,817,630	2,775,000	1,275,000
Highway User Revenue Fund	1,837,411	4,260,000	460,010	5,500,000	1,700,000
Capital Funds Total	\$ 4,937,784	\$ 10,780,000	\$ 2,947,650	\$ 10,975,000	\$ 2,975,000
Department Total	\$ 7,102,201	\$ 13,181,930	\$ 5,019,520	\$ 13,474,610	\$ 5,547,230

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$2,499,610 reflects an increase of \$97,680 from the Fiscal Year 2004 Adopted Budget. The budget includes \$500,000 for neighborhood initiatives including one position to improve customer service support. In addition to continued funding of Slum Abatement and Blight Enforcement Response (SABER) from the \$500,000, resources will be focused on building and property issues in neighborhoods, with a special emphasis on vacant and abandoned buildings. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases. The increases to the budget were offset by reductions in funding capacity from federal grants.

The Fiscal Year 2005 Capital Budget of \$10,975,000 includes funding of \$8,000,000 required for the completion of prior year Back to Basics projects and \$2,975,000 from Community Development Block Grant (CDBG) and Highway User Revenue Fund (HURF) for new projects.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$2,572,230 includes an increase of \$72,620 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

The Fiscal Year 2006 Capital Budget of \$2,975,000 includes CDBG and HURF funding for new Back to Basics projects.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Distribute neighborhood mailings.					
• Number of mailings distributed	499	300	520	550	600
Monitor Back to Basics projects for time- liness, budget status, and legal compliance.					
• Number of active projects*	78	92	127	100	60
Coordinate service delivery to neighbor- hoods through DNR staff.					
• Number of service requests processed	1,546	1,500	1,600	1,650	1,700
Abate slum properties through the SABER Program.					
• Number of properties abated	61	40	65	70	75
• Number of living units abated	513	N/A	520	560	600

*Method of measurement revised to reflect number of active projects rather than number of neighborhoods with active projects.

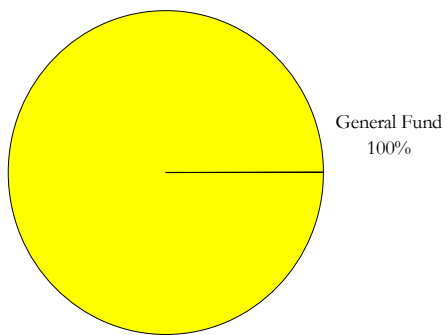
KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Respond to Property and Housing Complaints.					
• Number of cases opened and referrals made	1,765	N/A	1,964	1,700	1,800
• Number of initial and follow-up inspections performed	4,650	N/A	4,260	3,760	3,980
• Number of properties abated	1,125	N/A	705	1,000	1,200
Abate graffiti through prompt response.					
• Number of properties abated	7,224	6,000	6,000	6,000	6,000
• Number of “tags” removed	36,480	36,000	36,000	36,000	36,000
Key Outcomes					
Register neighborhood associations.					
• Number of new associations or inactive associations revitalized	12	10	10	10	10
• Number of registered neighborhoods	140	180	140	145	150

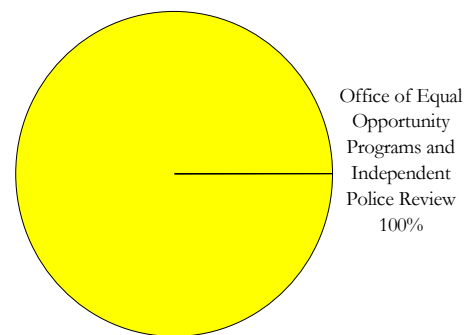
OFFICE OF EQUAL OPPORTUNITY PROGRAMS AND INDEPENDENT POLICE REVIEW*

OPERATING: \$ 650,090
POSITION TOTAL: 9.00

FINANCING PLAN

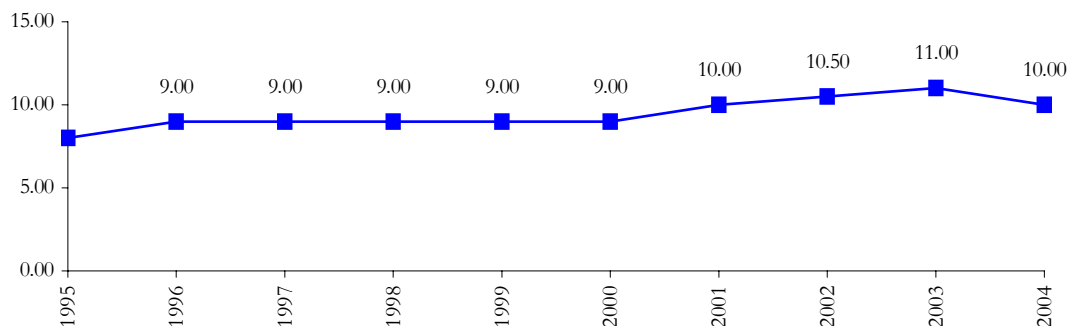


PROGRAM ALLOCATION



TEN YEAR STAFFING TRENDS

Adopted Positions



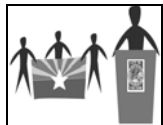
*In Fiscal Year 2004, the Equal Opportunity Office was merged with the Independent Police Auditor and renamed Office of Equal Opportunity Programs and Independent Police Review.

OFFICE OF EQUAL OPPORTUNITY PROGRAMS AND INDEPENDENT POLICE REVIEW

MISSION STATEMENT: To ensure that individuals are afforded equal opportunity in the provision of public accommodation, housing, and employment without regard to race, color, national origin, gender, disability, age, religion, familial status, marital status, sexual orientation, gender identity, or ancestry. To ensure equal opportunity to all city employees in all terms and conditions of employment. To ensure equal procurement opportunity to all businesses with which the city solicits and/or conducts contracted services. To provide an external review process of citizen inquiries and complaints of police misconduct that is thorough, objective, and fair.

In accordance with the Tucson City Charter, the City Manager retains hiring authority for and the reporting responsibility over the Office of Equal Opportunity Programs and Independent Police Review.

SUPPORT FOR LIVABLE TUCSON GOALS



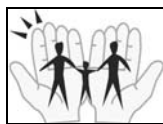
Goal: Engaged Community and Responsive Government

The Office of Equal Opportunity Programs works in coordination with the Tucson Airport Authority, the Arizona Department of Transportation's Civil Rights Division, and the City of Phoenix to continuously streamline the application and review process for Minority and Women Owned Business Enterprise and Disadvantaged Business Enterprise certifications.

The office provides training on the Minority and Women Owned Business Enterprise certification process as well as review of all referred applications. The office also works with the Small Business Administration's Business Development Finance Corporation, the Arizona State Department of Commerce, Pima Community College's Small Business Development Office, and other organizations in providing joint presentations that target minority and women owned businesses.

The office partners with an array of agencies and organizations in the facilitation and sponsorship of key community activities such as the Minority Enterprise Week. Public comment and involvement in various facets of its work is solicited by the Office of Equal Opportunity Programs, including the annual Disadvantaged Business Enterprise Program goal for federally-funded transit projects and the Minority and Women Owned Business Enterprise Program.

The Independent Police Auditor responds to citizen complaints and concerns regarding police services by performing complaint audits, conducting community outreach and education, and by involving the appropriate resources within the Tucson Police Department and other city departments to address community needs. Some level of support is provided to the Citizen Police Advisory Review Board.



Goal: Reduced Poverty and Greater Equality of Opportunity

As a result of conducting investigations into complaints of discrimination, the Office of Equal Opportunity Programs supports reduced poverty by rectifying discriminatory action when it is found, primarily through conciliation efforts. These efforts address, by way of remedy, the harm or potential harm that individuals have undergone based on discrimination. Because such harm can impact individuals financially, remedies assist and prevent individuals from experiencing financial crisis. The office offers training to businesses and citizens within the community which supports the implementation of equal opportunity in employment, housing, and public accommodation.

Support for Livable Tucson Goals (Continued)

Reduced Poverty and Greater Equality of Opportunity (Continued)

The Office of Equal Opportunity Programs provides support to the Minority and Women Owned Business Commission in its efforts to correct disparity in the women and minority owned business procurement process. Some level of support is provided by the office to the Human Relations Commission and the Gay, Lesbian, Bisexual, Transgender Commission. This further supports community efforts against discriminatory treatment that many times impacts individuals financially.



Goal: Strong Local Business

The Office of Equal Opportunity Programs supports equal opportunity for local businesses through the implementation and monitoring of the city's Minority and Women Owned Business Enterprise (MWBE) Program and the Disadvantaged Business Enterprise Program (DBE). These programs ensure that minority and women-owned business enterprises are afforded procurement opportunities within the city. The DBE's Diversity Program for Contracts also supports equal opportunity for small businesses seeking to procure contracts through the city that are funded by the Federal Transit Administration and the Federal Highway Administration of the U.S. Department of Transportation.

The office provides training and resources to minority and women owned businesses and disadvantaged businesses to support them in gaining business through partnerships with the Arizona Department of Commerce and Pima Community College's Small Business Development Office.



Goal: Safe Neighborhoods

The Independent Police Auditor conveys concerns received from citizens about neighborhood crimes and police practices to the appropriate personnel within the Tucson Police Department. The Independent Police Auditor provides citizens with resources within the police department to facilitate and involve the community as a partner in community policing.

OFFICE RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Office of Equal Opportunity Programs and Independent Police Review*	11.00	10.00	9.00	9.00	9.00
Total	11.00	10.00	9.00	9.00	9.00

*In Fiscal Year 2004, the Equal Opportunity Office was merged with the Independent Police Auditor and renamed Office of Equal Opportunity Programs and Independent Police Review.

OFFICE OF EQUAL OPPORTUNITY PROGRAMS AND INDEPENDENT POLICE REVIEW

Office Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
FINANCIAL SUMMARY					
Office of Equal Opportunity Programs and Independent Police Review	\$ 916,999	\$ 738,770	\$ 574,790	\$ 650,090	\$ 686,010
Total	\$ 916,999	\$ 738,770	\$ 574,790	\$ 650,090	\$ 686,010

CHARACTER OF EXPENDITURES

Personal Services	\$ 795,057	\$ 626,700	\$ 449,840	\$ 529,970	\$ 565,470
Services	111,650	100,120	116,670	108,000	108,350
Commodities	10,292	11,950	8,280	12,120	12,190
Total	\$ 916,999	\$ 738,770	\$ 574,790	\$ 650,090	\$ 686,010

SOURCE OF FUNDS

General Fund	\$ 916,999	\$ 738,770	\$ 574,790	\$ 650,090	\$ 686,010
Department Total	\$ 916,999	\$ 738,770	\$ 574,790	\$ 650,090	\$ 686,010

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$650,090 reflects a decrease of \$88,680 from the Fiscal Year 2004 Adopted Budget. To improve efficiencies and reduce costs, the Independent Police Auditor was merged with the Equal Opportunity Office resulting in a net saving of \$94,000 and the reduction of one position. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$686,010 includes an increase of \$35,920 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Conduct equity awareness and Minority and Women Owned Business Enterprise program information sessions within the city and community.	14	72	16	20	25
Process, investigate, and mediate complaints of discrimination filed by citizens and city employees.	110	80	100	100	100
Provide a Minority and Women Owned Business Enterprise/Disadvantaged Business Enterprise Directory to community and businesses as requested.	800	1,500	1,000	1,000	1,000
Distribute information to the community about the city's non-discrimination mandates and programs via posters, brochures, and media presentations.	2,475	5,000	2,500	2,600	2,600
Review equal opportunity employment documents from businesses that do business with the City of Tucson.	1,139	1,000	1,200	1,300	1,300
Perform monthly audits of Office of Internal Affairs' investigations performed by the Tucson Police Department.	12	12	12	12	12
Inform and educate citizens by conducting community outreach through public presentations, brochures, fliers, and video.	21	24	25	25	25
Key Outcomes					
Provide Minority and Women Owned Business/Disadvantaged Business Enterprise certification and re-certification to businesses that apply and meet requirements.	401	250	400	425	425
Assist and provide citizens with information about the Minority and Women Owned Business Enterprise, civil rights complaints, equal employment opportunities, city commissions available for combating discrimination, etc.					
• Number of citizens	925	1,500	1,500	1,500	1,500
• Average number of days to process Certificates of Equal Employment Opportunity (CEEEO) forms.	N/A	N/A	2	2	2

KEY MEASURES OF PERFORMANCE

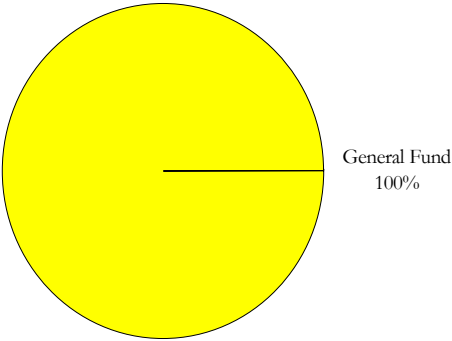
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outcomes					
Provide citizens with an external police review process to ensure the thorough, objective, and fair resolution of citizen inquiries and complaints regarding police misconduct.					
• Number of citizen inquiries/contacts	729	800	800	800	800
• Number of complaints reviewed	337	500	400	425	425
• Number of complaints referred to the Tucson Police Department's Office of Internal Affairs for investigation.	54	100	75	75	75

**OFFICE OF THE
PUBLIC DEFENDER**

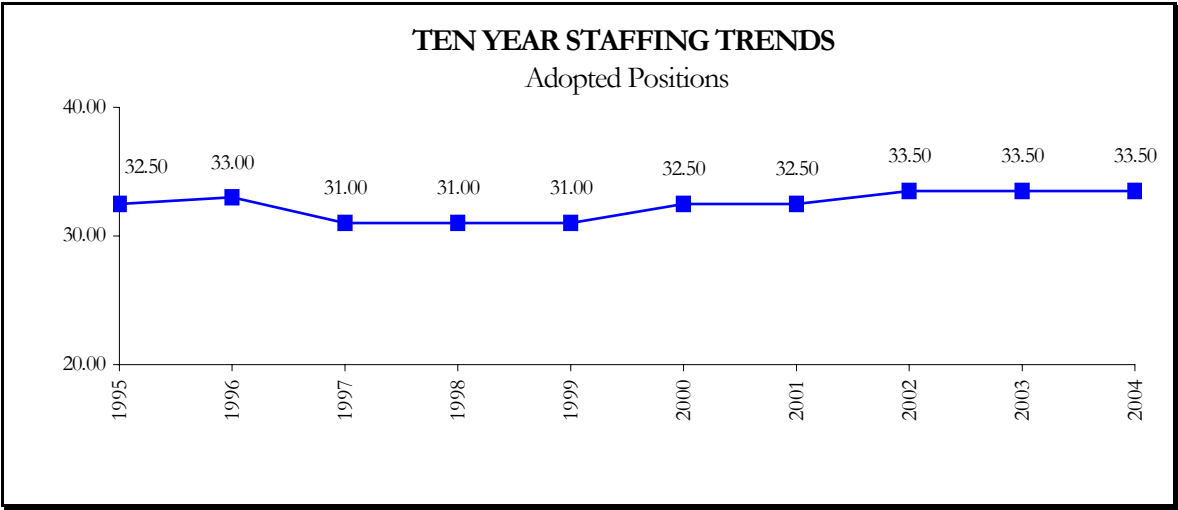
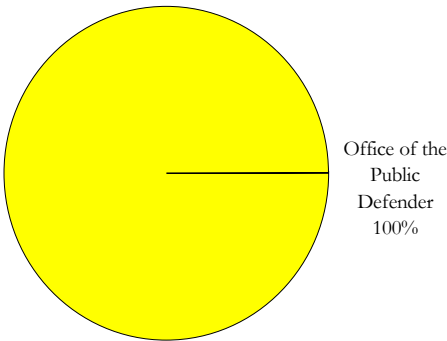
OPERATING: \$ 2,712,910
POSITION TOTAL: 36.00

OFFICE OF THE PUBLIC
DEFENDER

FINANCING PLAN



PROGRAM ALLOCATION



OFFICE OF THE PUBLIC DEFENDER

MISSION STATEMENT: To provide quality, cost-effective legal representation to indigent defendants entitled to appointed counsel in City Court in accordance with the mandates of state and federal law and the Ethical Rules of the Arizona State Supreme Court.

OVERVIEW

The Office of the Public Defender was established as a cost-effective alternative to the use of contract attorneys. The office provides legal representation independent from the Criminal Division of the City Attorney's Office. The Office of the Public Defender is staffed by 21 attorneys and 15 other positions.

OFFICE HIGHLIGHTS

The city's policy of aggressive domestic violence enforcement resulted in the Office of the Public Defender being assigned over 3,000 domestic violence cases during Fiscal Year 2003.

The Office of the Public Defender, in cooperation with the City Attorney's Office, will refer over 800 clients to Mental Health Diversion during Fiscal Year 2005. These clients will have their charges dismissed if they comply with a mental health treatment plan intended to reduce repeat offenses.

SUPPORT FOR LIVABLE TUCSON GOALS



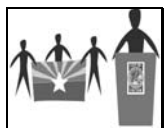
Goal: Reduced Poverty and Greater Equality of Opportunity

The Office of the Public Defender represents indigent persons charged with crimes in City Court. One of the goals of the office is to ensure that these indigent persons receive equal justice and that all of their constitutional rights are protected.



Goal: Caring, Healthy Families and Youth

One of the services provided by the Office of the Public Defender is the referral of clients, when appropriate, to counseling services and social service agencies to deal with the cause of their criminal activity. The Office of the Public Defender will refer a projected 600 persons to appropriate agencies during Fiscal Year 2005.



Goal: Engaged Community and Responsive Government

The Office of the Public Defender maintains a continuous dialogue with other government agencies, the courts, and with local mental health experts, in order to be as responsive as possible to the changing needs of our clients and the community.

OFFICE RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Office of the Public Defender	33.50	33.50	33.50	36.00	36.00
Total	33.50	33.50	33.50	36.00	36.00

OFFICE OF THE PUBLIC DEFENDER

Office Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
FINANCIAL SUMMARY					
Office of the Public Defender	\$ 2,238,530	\$ 2,333,440	\$ 2,371,630	\$ 2,712,910	\$ 2,881,300
Total	\$ 2,238,530	\$ 2,333,440	\$ 2,371,630	\$ 2,712,910	\$ 2,881,300

CHARACTER OF EXPENDITURES

Personal Services	\$ 2,065,908	\$ 2,151,020	\$ 2,213,600	\$ 2,522,100	\$ 2,689,550
Services	117,604	134,530	117,180	142,730	143,670
Commodities	48,104	47,890	40,850	48,080	48,080
Equipment	6,914	-0-	-0-	-0-	-0-
Total	\$ 2,238,530	\$ 2,333,440	\$ 2,371,630	\$ 2,712,910	\$ 2,881,300

SOURCE OF FUNDS

General Fund	\$ 2,238,530	\$ 2,333,440	\$ 2,371,630	\$ 2,712,910	\$ 2,881,300
Total	\$ 2,238,530	\$ 2,333,440	\$ 2,371,630	\$ 2,712,910	\$ 2,881,300

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$2,712,910 reflects an increase of \$379,470 from the Fiscal Year 2004 Adopted Budget. Due to increasing caseloads, \$167,750, including 2.5 positions are added to the budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases.

Fiscal Year 2006

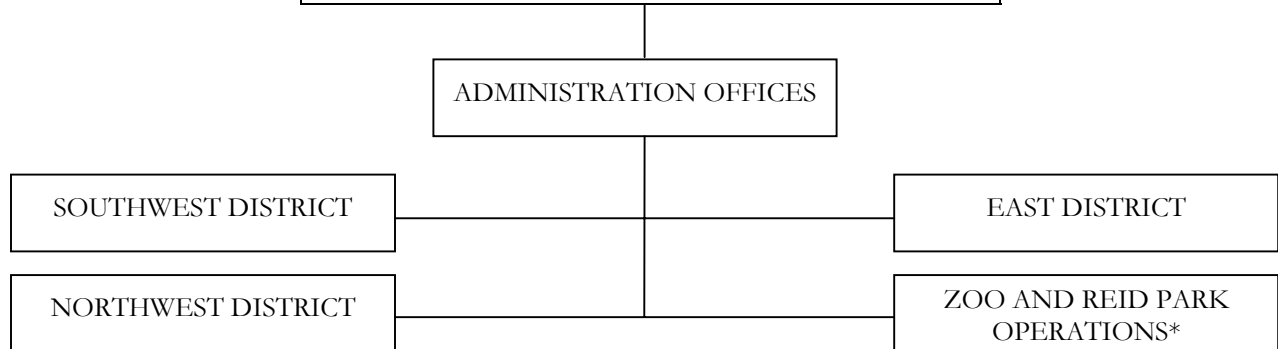
The operating budget for Fiscal Year 2006 of \$2,881,300 includes an increase of \$168,390 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

KEYS MEASURES OF PERFORMANCE

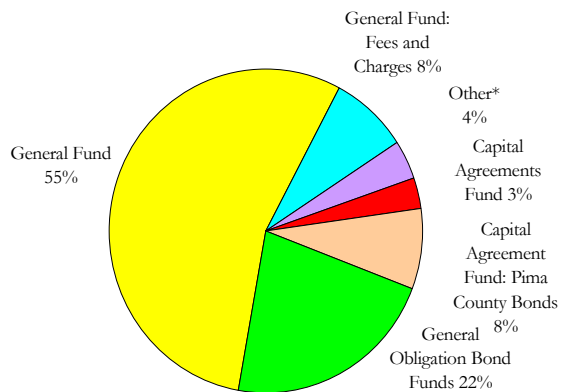
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Represent all indigent persons appointed to the Office of the Public Defender by City Court.	8,318	7,700	8,800	8,800	9,000
Process complaints promptly and effectively.					
• Number of complaints from clients	15	20	20	25	30
Key Outcomes					
Provide legal representation in an efficient and timely manner to indigent members of the community so that their constitutional right to counsel is maintained.					
• Percent of clients represented in a timely manner	100%	100%	100%	100%	100%
• Percent of satisfied clients	N/A	99%	99%	99%	99%
Provide representation in a cost-effective manner.					
• Average cost per case	\$ 269	\$ 303	\$ 270	\$ 308	\$ 320

PARKS AND RECREATION

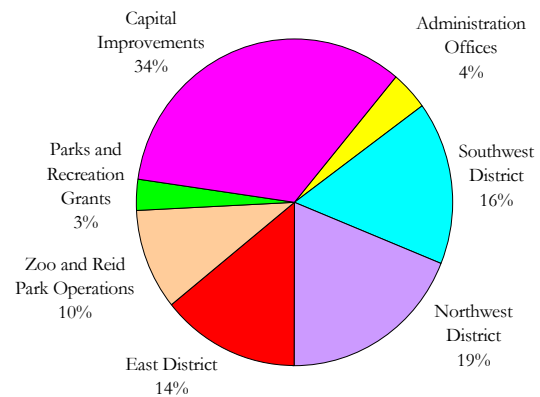
OPERATING: \$ 44,435,050
 CAPITAL: 22,885,600
 TOTAL: \$ 67,320,650
 POSITION TOTAL: 669.75



FINANCING PLAN



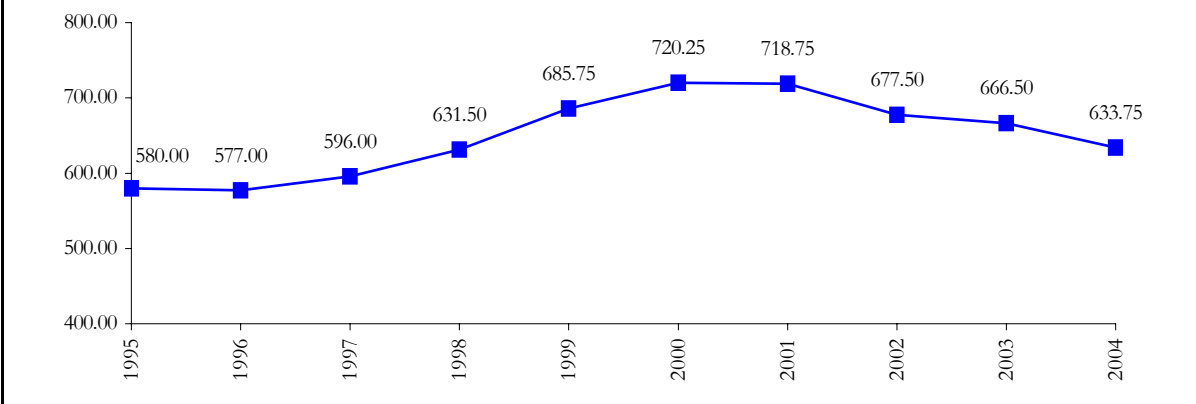
PROGRAM ALLOCATION



*Includes: Miscellaneous Non-Federal Grants (2%), Miscellaneous Federal Grants (1%), Certificates of Participation (<1%), General Fund: Parks Foundation (<1%), General Fund: Restricted (<1%).

TEN YEAR STAFFING TRENDS

Adopted Positions



*The operation of Reid Park was transferred to the Zoo Division in Fiscal Year 2003. The Zoo Division was renamed Zoo and Reid Park Operations to reflect the functions of the division.

E = East District
NW = Northwest District
SW = Southwest District



PARKS AND RECREATION

MISSION STATEMENT: To provide a parks and recreation system offering high quality facilities, programs, and services for Tucsonans of all ages and abilities.

OVERVIEW

The Parks and Recreation Department will provide a variety of parks, recreation facilities, and program experiences equitably throughout the community. Existing facilities will be aggressively maintained and additional facilities will be added as growth and demand dictate. Programs will be operated at the highest quality level, ensuring a safe environment with exceptional service to develop lifetime customers. Services will demonstrate a positive economic investment through partnerships with other service providers, both public and private, contributing to a high quality of life for Tucsonans.

DEPARTMENT HIGHLIGHTS

- The opening of the new James F. Ronstadt Entry Plaza at Reid Park Zoo marks the completion of the first step of the Zoo's Master Plan. Facilities include ticket offices, a membership window, information center, enhanced gift shop, concessions modifications, and ample restrooms. The area is made comfortable for guests with a large sound structure for shade, lush gardens, and seating areas.
- A \$218,000 irrigation upgrade was completed at Hi Corbett Field as part of the 2000 bond program. The stadium has become an exciting events venue, hosting Martina McBride and the Tucson Symphony in 2003.
- The Arizona Heat, the woman's professional fast-pitch softball team, will play at Hi Corbett Field in the newly formed National Woman's Softball League.
- All of the department's 2000 bond program projects are either under design, in construction, or finished. It is anticipated that all 2000 bond program projects will be completed within two years. Some of the highlights in this program are the Adaptive Recreation Center, the Udall Senior Center, the El Pueblo Senior Center, and the Mansfield Gymnasium.
- The Richard and Annette Bloch Cancer Survivors Plaza was dedicated in Reid Park. The Plaza is dedicated to cancer survivors. The facility gives hope and encouragement to the millions of Americans with cancer to have the will to fight.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Abundant Urban Green Space and Recreation Areas

The Parks and Recreation Department provides numerous and varied leisure time opportunities throughout the city. Facilities and programs, both indoor and outdoor, are designed to serve all people--from the very young through the most mature, from people with disabilities to the most physically active--spanning many social, cultural, and special interests. The department provides 130 parks, 105 playgrounds, 203 playing fields, and 3,998 acres of parkland.



Goal: Clean Air and Quality Water

The Parks and Recreation Department contributes to clean air by maintaining some 22,000 trees in city parks. Department efforts include effective water management, oversight of discharged wastewater, and use of reclaimed water in the irrigation of turf and landscaping that conserves, protects, and recharges the local aquifer.

Support for Livable Tucson Goals (Continued)



Goal: People Oriented Neighborhoods

The Parks and Recreation Department provides indoor and outdoor facilities and programs throughout the city which accommodate thousands of Tucsonans of all ages, income, and ability. Recreation and neighborhood centers, school sites, pools, parks, and sports fields provide citizens venues to meet and the opportunity to interact with their neighbors. Core service programs such as KIDCO, senior clubs, adult athletic leagues, life-long learning classes, concerts, and special events benefit people in building confidence about themselves, their neighborhoods, and the community.



Goal: Caring, Healthy Families and Youth

The Parks and Recreation Department offers multiple opportunities for families to have fun, relax, and participate in activities at recreation and neighborhood centers, parks, schools, golf courses, and the Reid Park Zoo. Several programs encourage parent participation in advisory groups as well as activities. The department also participates in the city's Youth Policy Team, together with the Library, Police, Fire, Community Services, and Neighborhood Resources Departments.



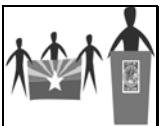
Goal: Excellent Public Education

The Parks and Recreation Department, through partnerships with the public libraries, local schools, and colleges, promotes public education in our community for all generations by offering programs designed to both educate and enhance learning skills. Parks and Recreation Department facilities are used for middle school intergenerational credit classes, high school credit courses given in conjunction with a downtown youth jobs program, and discounted zoo admission for over 30,000 children each year who are provided the opportunity to learn about the value of animal wildlife and our responsibility to be conservators of this resource. Other programs such as SeniorNET encourage lifelong learning opportunities for senior participants.



Goal: Protected Natural Desert Environment

The department supports special preservation efforts such as the Lincoln Park Riparian Habitat Project, and the Case and North-Central District parks. These natural settings will be sustained through careful attention to planning and development.



Goal: Engaged Community and Responsive Government

The department provides space and assistance to community groups who wish to meet for a variety of decision-making discussions and group interchanges. Neighborhood and recreation centers specifically nurture this environment. Numerous citizen advisory groups, steering committees, parent advisory boards for center and after-school sites, senior clubs and adaptive advisory boards specifically for issues regarding people with disabilities. Year-round volunteer programs encourage individuals to invest in the community and environment.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Administration Offices	30.50	27.50	27.50	27.50	27.50
Southwest District	99.50	93.50	93.50	96.50	99.50
Northwest District	110.50	106.50	106.50	114.00	115.00
East District	84.00	83.00	83.00	88.00	92.00
Zoo and Reid Park Operations	67.75	68.25	68.25	68.25	68.25
Parks and Recreation Grants	5.25	5.25	5.25	5.25	5.25
Permanent Total	397.50	384.00	384.00	399.50	407.50
NON-PERMANENT					
Administration Offices	1.00	-0-	-0-	-0-	-0-
Southwest District	70.00	57.50	57.50	57.50	59.00
Northwest District	110.50	105.00	105.00	123.00	137.25
East District	35.50	34.50	34.50	37.00	37.50
Zoo and Reid Park Operations	16.00	16.75	16.75	16.75	16.75
Parks and Recreation Grants	36.00	36.00	36.00	36.00	36.00
Non-Permanent Total	269.00	249.75	249.75	270.25	286.50
Department Total	666.50	633.75	633.75	669.75	694.00

FINANCIAL SUMMARY

Administration Offices	\$ 2,437,660	\$ 2,415,020	\$ 2,043,160	\$ 2,652,970	\$ 2,767,710
Southwest District	8,651,480	8,635,630	8,641,560	10,388,310	10,657,540
Northwest District	11,088,430	11,703,780	10,733,060	12,842,740	13,687,950
East District	7,550,948	7,883,110	7,321,420	9,575,520	10,222,510
Zoo and Reid Park Operations	5,894,857	5,737,290	6,148,490	6,776,370	6,819,390
Parks and Recreation Grants	496,255	2,174,820	2,138,830	2,199,140	2,229,890
Operating Total	36,119,630	38,549,650	37,026,520	44,435,050	46,384,990
Capital Improvements	6,138,465	31,345,800	14,000,020	22,885,600	6,691,800
Department Total	\$ 42,258,095	\$ 69,895,450	\$ 51,026,540	\$ 67,320,650	\$ 53,076,790

PARKS AND RECREATION**Department Resources (Continued)**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
CHARACTER OF EXPENDITURES					
Personal Services	\$ 22,028,120	\$ 22,222,140	\$ 21,423,840	\$ 24,186,120	\$ 26,290,060
Services	10,936,176	12,640,240	12,147,170	15,479,700	15,268,970
Commodities	3,247,348	3,905,360	3,696,100	4,943,450	5,039,770
Equipment	150,149	198,140	175,640	258,140	233,140
Debt Service	13,319	-0-	-0-	-0-	-0-
Other	-0-	(3,587,430)	(3,587,430)	-0-	-0-
Inter-Activity Transfers	(255,482)	3,171,200	3,171,200	(432,360)	(446,950)
Operating Total	36,119,630	38,549,650	37,026,520	44,435,050	46,384,990
Capital Improvements	6,138,465	31,345,800	14,000,020	22,885,600	6,691,800
Department Total	\$ 42,258,095	\$ 69,895,450	\$ 51,026,540	\$ 67,320,650	\$ 53,076,790

SOURCE OF FUNDS**OPERATING FUNDS**

General Fund	\$ 31,901,987	\$ 31,581,740	\$ 30,172,160	\$ 36,295,910	\$ 37,925,100
General Fund: Fees and Charges	3,850,498	4,861,420	4,829,000	5,430,000	6,030,000
General Fund: Parks Foundation	-0-	189,840	189,840	192,980	195,530
General Fund: Restricted	29,459	218,750	105,890	210,920	216,830
Certificates of Participation	-0-	-0-	-0-	510,000	200,000
Miscellaneous Federal Grants	292,751	619,560	683,660	708,990	725,370
Miscellaneous Non-Federal Grants	44,935	1,078,340	1,045,970	1,086,250	1,092,160
Operating Funds Total	\$ 36,119,630	\$ 38,549,650	\$ 37,026,520	\$ 44,435,050	\$ 46,384,990

CAPITAL FUNDS

General Fund	\$ -0-	\$ -0-	\$ -0-	\$ 280,000	\$ -0-
1994 General Obligation Bond Funds	7,542	-0-	71,510	-0-	-0-
1994 General Obligation Bond Funds - Interest	-0-	11,800	136,360	235,000	80,000
2000 General Obligation Bond Funds	5,570,030	19,917,100	9,963,530	14,554,300	2,744,000
2000 General Obligation Bond Funds - Interest	-0-	-0-	-0-	100,000	-0-
Capital Agreement Fund	-0-	1,800,000	-0-	1,800,000	-0-
Capital Agreement Fund: Pima County Bonds	560,893	9,425,900	3,828,620	5,597,300	3,867,800
Miscellaneous Non-Federal Grants	-0-	191,000	-0-	319,000	-0-

Capital Funds Total	\$ 6,138,465	\$ 31,345,800	\$ 14,000,020	\$ 22,885,600	\$ 6,691,800
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Department Total	\$ 42,258,095	\$ 69,895,450	\$ 51,026,540	\$ 67,320,650	\$ 53,076,790
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SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$44,435,050 is an increase of \$5,885,400 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases. Other significant changes are as follows:

- ◆ Opening new parks and recreation facilities, and expansion of existing facilities will require \$1,613,200 for added staff and maintenance, including 36 positions. These include the Adaptive Recreation Center and Udall Center Senior Expansion as well as \$734,200 for miscellaneous parks and facilities.
- ◆ To ensure functional and safe facilities for the public, funding for deferred facility maintenance is increased by \$1,162,320, including \$390,000 to replace one swimming pool disinfection system and design the replacement of two systems to be constructed in future years.
- ◆ Maintenance equipment and public furniture that is no longer serviceable will be replaced at a cost of \$670,000.
- ◆ A change in the formula for allocating maintenance and related facility costs will result in a \$503,680 transfer from the General Services Department.
- ◆ Delays in the use of reclaimed water from Pima County require the addition of \$434,000 for irrigation.
- ◆ To ensure equitable access to Parks and Recreation services for City of Tucson resident youth, seniors, families and those with special needs who are unable to pay full fees, a \$400,000 assistance fund will be established.
- ◆ To ensure and improve the long-term health of the parks system, funding for irrigation is increased by \$300,000, including upgrades to irrigation systems.
- ◆ Increases in the price of fuel and other fleet costs add \$135,180.

The Fiscal Year 2005 Capital Budget of \$22,885,600 includes projects funded with city and county bonds and agreements with other agencies.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$46,384,990 includes an increase of \$1,949,940 from Fiscal Year 2005. Opening of the Quincie Douglas Center Pool and other parks and recreational facilities in Fiscal Year 2006 will require an additional \$1,127,300 to staff and maintain, including 24.25 positions. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

The Fiscal Year 2006 Capital Budget of \$6,691,800 completes the voter authorized city and county bond programs.

ADMINISTRATION OFFICES

MISSION STATEMENT: Administration Offices provides direction and sets policy for the East, Southwest and Northwest Districts, the Zoo and Reid Park Operations, and the municipal golf courses; develops and manages the operating and capital budgets for the department; provides administrative and clerical support so that district staff can operate in a manner that promotes consistent, efficient, and effective operations; ensures that customers are provided excellent service and facilities throughout the system; and directs planning and development activities for the department.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide support and assistance to Mayor and Council appointed citizen committees that advise the governing body.					
• Tucson Parks and Recreation Commission meetings	8	9	9	9	9
• Tucson Greens Committee meetings	12	12	12	12	12
• Tucson Rodeo Grounds/Parade Citizens Oversight Committee meetings	2	2	2	2	2
• Landscape Advisory Committee meetings	6	12	12	12	12
• Off Leash Dog Area Task Force meetings	-0-	1	1	1	1
Register participants in leisure classes and programs including gymnastics/motor development, sports fitness, cultural arts, KIDCO, Junior Teen Scene, Gang Resistance Education and Training, Regional Center camps, senior clubs, and other activities.					
• Number of participants registered	24,441	29,000	25,000	25,500	26,000
• Number of KIDCO participants registered	5,144	6,000	6,000	6,000	6,000
• Number of registered senior club members	1,212	7,000	1,300	1,400	1,500
Assist City Manager with citywide issues by serving on various directors committees.	6	6	6	6	6
Enhance communication by meeting with city departments to improve current service.					
• Number of meetings	6	6	6	6	6

Administration Offices (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Attend neighborhood association and citizen committee meetings to better understand community needs and involvement in our park system.	24	24	24	24	24
Key Outcomes					
Obtain overall service satisfaction rating of "very good" or "excellent" from surveyed customers.	95%	95%	95%	95%	95%

RESOURCE SUMMARY

Position Resources	31.50	27.50	27.50	27.50	27.50
Financial Resources					
General Fund	\$ 2,129,620	\$ 2,026,107	\$ 1,656,840	\$ 2,218,570	\$ 2,285,310
General Fund: Fees and Charges	308,040	388,913	386,320	434,400	482,400
Financial Resources Total	<u>\$ 2,437,660</u>	<u>\$ 2,415,020</u>	<u>\$ 2,043,160</u>	<u>\$ 2,652,970</u>	<u>\$ 2,767,710</u>

SOUTHWEST DISTRICT

MISSION STATEMENT: The Southwest District serves the leisure and social needs of children, teens, adults, seniors, and people with disabilities by providing customer-oriented programs, facilities, and sites. Southwest District highlights include leisure class administration, El Pueblo Regional Center, the Tucson Rodeo Grounds, the Kennedy Park Fiesta Area, coordination of civic events, and Senior Olympic administration.

KEY MEASURES OF PERFORMANCE

Key Outputs

Provide and operate facilities for various programs.

• Recreation centers	2	2	2	2	2
• Neighborhood centers	2	2	2	2	2
• Regional centers	1	1	1	1	1
• Parks	27	27	28	29	29

PARKS AND RECREATION

Southwest District (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Provide age-appropriate activities to increase socialization skills, wellness habits, arts education, and environmental education.					
• KIDCO sites – school year	14	15	14	14	14
• KIDCO sites – summer	13	15	14	14	14
• Programs for individuals with disabilities	8	9	9	9	9
• Programs for senior citizens	5	5	5	5	5
Provide American Red Cross swim classes during the summer.					
• Number of classes	217	200	245	265	290
Promote youth, adult, senior, and family development through continuing safety inspections of city sports fields, courts, and fixtures.					
• Baseball fields	4	4	4	4	4
• Biking/jogging paths					
◇ Number of paths	7	7	7	7	7
◇ Total paved miles	3.6	3.6	3.6	3.6	3.6
• Football fields	2	2	2	2	2
• Little League fields	26	26	26	26	26
• Courts (basketball/ volleyball)	20.5	20.5	20.5	20.5	20.5
• Soccer fields	10	12	13	13	13
• Softball fields	8	10	10	10	10
• Tennis courts	7	7	7	7	7
• Volleyball courts	5	5	5	5	5
• Ramadas	62	62	62	62	62
• Playgrounds	27	27	27	27	27
• Swimming pools	7	7	7	7	7
Book reservations for park facilities.	10,696	11,250	12,942	12,942	12,942
Provide civic event support to non-profit, educational, and other local organizations by providing bleachers, staging, and booths.					
• Number of events supported	168	160	168	168	175

Southwest District (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Ensure turf maintenance, forestry, and preservation efforts are environmentally friendly.					
• Number of trees planted	80	75	85	100	100
• Number of aged or damaged trees removed	70	60	75	75	75
Key Outcomes					
Percentage of park patrons rating parks facilities “satisfactory” or better.	95%	95%	90%	90%	95%
Enhance water safety and swimming skills in children.					
• Number of participants	1,334	N/A	1,500	1,750	2,000
Refurbish playgrounds with new fall-zones, apparatus, and delineations for safety for a safe and user-friendly park environment.					
• Number of playground refurbishments	2	2	2	2	2
Resurface multi-use/tennis court surfaces.	4	2	6	6	6
Enhance community awareness and involvement by attending neighborhood and community meetings.	21	24	24	24	24
Enhance communication with other agencies utilizing Parks and Recreation facilities through joint meetings.	5	6	6	6	6

RESOURCE SUMMARY

Position Resources	169.50	151.00	151.00	154.00	158.50
Financial Resources					
General Fund	\$ 6,610,716	\$ 6,059,077	\$ 6,082,190	\$ 7,371,410	\$ 7,406,640
General Fund: Fees and Charges	2,040,764	2,576,553	2,559,370	2,877,900	3,195,900
Certificates of Participation	-0-	-0-	-0-	139,000	55,000
Financial Resources Total	\$ 8,651,480	\$ 8,635,630	\$ 8,641,560	\$ 10,388,310	\$ 10,657,540

NORTHWEST DISTRICT

MISSION STATEMENT: The Northwest District serves the leisure and social needs of children, teens, adults, seniors, and people with disabilities by providing customer-oriented programs, facilities, and sites. Northwest District highlights include the Aquatics Program administration, the Therapeutic Center, Northwest Center, Catalina High Magnet School Park, Armory Senior Citizen Center, Pascua Neighborhood Center, Downtown, Blenman Park/School, Birdman Center, and El Rio Neighborhood Center.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide and operate facilities for various programs.					
• Recreation centers	2	3	2	2	2
• Neighborhood centers	4	3	4	4	4
• Senior center	1	1	1	1	1
• Parks and special areas	47	46	48	49	52
• Young Men's Christian Association	1	2	1	1	1
• Boys/Girls Club	1	1	1	1	1
• Therapeutic center	1	1	2	2	2
Provide age-appropriate activities to increase socialization skills, wellness habits, arts education, and environmental education.					
• KIDCO sites – school year	8	9	8	8	8
• KIDCO sites – summer	6	10	6	6	6
• Middle Schools	2	N/A	2	2	2
• Programs for individuals with disabilities	27	29	26	66	76
• Number of neighborhood and recreation centers	5	N/A	5	5	5
Provide American Red Cross swim classes during the summer session.					
• Number of classes	225	265	250	275	300
Provide community volunteers on a year-round basis to assist staff in providing services.					
• Number of hours provided	8,000	8,000	8,000	8,000	8,000

Northwest District (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Promote youth, adult, senior, and family development through continuing safety inspections of the following city sports fields, courts, and fixtures.					
• Baseball fields	7	7	7	7	7
• Biking/jogging paths					
◇ Number of paths	7	7	7	7	7
◇ Total paved miles	6.76	6.76	6.76	6.76	6.76
• Football fields	4	4	4	4	4
• Little League fields	20	20	20	20	20
• Multi-purpose courts (basketball/volleyball)	9	8	8	8	8
• Rugby fields	1	1	1	1	1
• Soccer fields	15	15	15	15	15
• Softball fields	12	12	12	12	12
• Tennis courts	13	13	13	13	13
• Volleyball courts	6	6	6	6	6
• Ramadas	42	42	42	42	42
• Playgrounds	45	45	45	45	45
• Pools	10	10	10	10	10
Book reservations at park and center facilities.	10,164	11,250	11,500	11,500	11,500
Ensure turf maintenance, forestry, and preservation efforts are environmentally friendly.					
• Number of trees planted	67	50	100	100	100
• Number of aged or damaged trees removed	42	100	50	50	50
• Gallons of reclaimed water used for irrigation (000s)	76,000	76,000	76,000	76,000	76,000
Key Outcomes					
Percentage of park patrons rating park facilities “satisfactory” or better.	95%	95%	95%	95%	95%
Maintain a maintenance rating of “good” or better for the district’s athletic fields as rated through user surveys.	90%	90%	90%	90%	90%
Provide registered senior club members with socialization, technology training, fitness, and leisure class opportunities.					
• Number of registered members	587	650	650	650	650

PARKS AND RECREATION

Northwest District (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Enhance water safety and swimming skills in children.					
• Number of participants	26,250	30,000	28,000	30,000	32,000
Enhance community awareness and involvement by attending neighborhood and community meetings.	136	150	345	150	150
Enhance communication with other agencies utilizing Parks and Recreation facilities through joint meetings.	62	75	75	75	55

RESOURCE SUMMARY

Position Resources	221.00	211.50	211.50	237.00	252.25
Financial Resources					
General Fund	\$ 10,780,390	\$ 11,314,867	\$ 10,346,740	\$ 12,270,340	\$ 13,150,550
General Fund: Fees and Charges	308,040	388,913	386,320	434,400	482,400
Certificates of Participation	-0-	-0-	-0-	138,000	55,000
Financial Resources Total	\$ 11,088,430	\$ 11,703,780	\$ 10,733,060	\$ 12,842,740	\$ 13,687,950

EAST DISTRICT

MISSION STATEMENT: The East District serves the leisure and social needs of children, teens, adults, seniors, and people with disabilities by providing customer-oriented programs, facilities, and sites. East District highlights include Udall, Ft. Lowell, and Lincoln Regional Parks; Randolph, Udall, and Clements Regional Recreation Centers; and the Golf Links Sports Complex.

KEY MEASURES OF PERFORMANCE

Key Outputs

Provide and operate facilities for various programs.

• Regional centers	2	2	3	3	3
• Neighborhood centers	-0-	1	1	1	1
• Parks	31	31	31	31	31

East District (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Provide age-appropriate activities to increase socialization skills, wellness habits, arts education, and environmental education.					
• KIDCO sites – school year	12	12	12	12	12
• KIDCO sites – summer	10	14	13	13	13
• Jr. Teen Scene sites – school year	4	3	3	3	3
• Jr. Teen Scene sites – summer	3	3	3	3	3
• Programs for individuals with disabilities	13	13	13	13	13
• Gang Resistance Education and Training Program (GREAT) sites	4	3	3	3	3
• Senior club	3	3	3	3	3
• Regional center camps	2	-0-	3	4	4
Provide American Red Cross swim classes during the summer session.					
• Number of classes	381	390	400	425	450
Promote youth, adult, senior, and family development through continuing safety inspections and maintenance of city sports fields, courts, and fixtures.					
• Baseball fields	5	5	5	5	5
• Biking/jogging paths					
◇ Number of paths	8	8	8	8	8
◇ Total paved miles	3.6	3.6	3.6	3.6	3.6
• Little League fields	32	32	32	32	32
• Courts (basketball/ volleyball)	19	19	20	20	20
• Soccer fields	25	25	25	26	26
• Softball fields	13	13	13	13	13
• Tennis courts	17	17	42	46	46
• Off leash dog run	-0-	-0-	1	2	2
• Indoor gymnasium	2	2	2	3	3
• Volleyball courts	6	6	7	7	7
• Ramadas	40	40	41	43	43
• Playgrounds	36	36	37	39	39
• Pools	9	9	9	9	9
Book reservations at park facilities.	21,927	11,250	21,927	23,013	23,464

PARKS AND RECREATION

East District (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Ensure turf maintenance, forestry, and preservation efforts are environmentally friendly.					
• Number of trees planted	132	9	110	110	110
• Number of aged or damaged trees removed	162	114	150	150	160
• Gallons of reclaimed water used for irrigation (000s)	152,750	152,750	152,750	152,750	152,750
Key Outcomes					
Percentage of park patrons rating park facilities “satisfactory” or better.	95%	95%	95%	95%	95%
Maintain a maintenance rating of “good” or better for the district’s athletic fields as rated through user surveys.	90%	90%	90%	90%	90%
Enhance water safety and swimming skills in children.					
• Number of participants	5,605	4,200	6,000	6,500	7,000
Provide community volunteers on a year round basis to assist staff in providing services.					
• Number of hours provided	9,279	N/A	8,000	8,000	8,000
Enhance community awareness and involvement by attending neighborhood and community meetings.	16	16	20	20	20
Enhance communication with other agencies utilizing Parks and Recreation facilities through joint meetings.	15	15	20	20	20
Agency collaborations with facilities and programs	8	N/A	10	10	15
Provide registered senior club members with socialization, technology, training, fitness and recreation and leisure opportunities.					
• Number registered	N/A	N/A	581	620	700

East District (Continued)

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	119.50	117.50	117.50	125.00	129.50
Financial Resources					
General Fund	\$ 7,242,908	\$ 7,494,197	\$ 6,935,100	\$ 9,003,120	\$ 9,685,110
General Fund: Fees and Charges	308,040	388,913	386,320	434,400	482,400
Certificates of Participation	-0-	-0-	-0-	138,000	55,000
Financial Resources Total	<u>\$ 7,550,948</u>	<u>\$ 7,883,110</u>	<u>\$ 7,321,420</u>	<u>\$ 9,575,520</u>	<u>\$ 10,222,510</u>

ZOO AND REID PARK OPERATIONS

MISSION STATEMENT: Zoo and Reid Park Operations provides facilities that serve the recreational and social needs of the community, including Reid Park Zoo, Hi Corbett Field, Reid Park, events and theater services, sports administration and provides a centralized maintenance service to all other districts in the organization. The specific mission of the Reid Park Zoo is to encourage human commitment to the conservation of biological diversity; to provide a healthy and enriching environment for a collection of animals from around the world; and to provide educational and fun experiences for visitors of all ages.

KEY MEASURES OF PERFORMANCE

Key Outputs

Zoo

Attract visitors to Reid Park Zoo.

• Total number of visitors	385,993	410,000	400,000	410,000	410,000
• Children admitted free (in-school groups)	26,000	30,000	35,000	35,000	35,000
• Special event attendance	35,226	20,000	35,000	35,000	35,000

Provide quality animal care.

• Total number of animals	461	560	500	500	500
• Total number of species	160	169	165	165	165

Maintain walkways, public areas, and animal facilities in an aesthetically pleasing and safe condition.

• Number of acres	17	17	17	17	17
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Offer special events to attract visitors

	6	6	6	6	6
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Participate in the national Species Survival Plans Program to protect and increase awareness of endangered species.

• Number of programs	15	15	15	15	15
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PARKS AND RECREATION

Zoo and Reid Park Operations (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Reid Park					
Provide and operate facilities for various programs.					
• Adult sports leagues	72	80	80	80	80
Promote youth, adult, senior, and family development through continuing safety inspections and maintenance of city sports fields, courts, and fixtures.					
• Biking/jogging paths					
◇ Number of paths	1	1	1	1	1
◇ Total paved miles	3	3	3	3	3
• Off leash dog run	1	1	1	1	1
• Soccer fields	1	1	1	1	1
• Ramadas	19	19	19	19	19
• Playgrounds	4	4	4	4	4
Book reservations for park facilities.	4,126	4,400	4,500	4,500	4,500
Sponsor concerts and theater performances at no cost to the public.	90	88	95	100	100
Ensure turf maintenance, forestry, and preservation efforts are environmentally friendly.					
• Number of trees planted	40	20	20	20	20
• Number of aged or damaged trees removed	30	9	20	20	20
• Gallons of reclaimed water used for irrigation (000s)	55,000	94,500	95,000	95,000	95,000
Provide adults with sports leagues.					
• Number of participants	7,332	8,900	7,500	7,775	7,775
Key Outcomes					
Achieve a positive rating from zoo visitors.					
• Percent of visitors rating their visit as “satisfactory” or better	96%	96%	96%	96%	96%

Zoo and Reid Park Operations (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Provide opportunities for citizen involvement at the zoo through volunteer programs.					
• Number of docent hours	11,450	11,000	12,000	13,000	13,000
• Number of teen volunteer hours	1,600	N/A	1,500	1,600	1,600
Achieve a positive rating from Reid Park visitors.					
• Percentage of park patrons rating Reid Park facilities “satisfactory” or better.	90%	90%	90%	90%	90%
Maintain athletic field maintenance ratings of “good” or better as rated through user surveys.	90%	90%	90%	90%	90%
Maintain a rating of good or better on providing core district services to other districts and departments.	90%	90%	90%	90%	90%
Enhance community awareness and involvement by attending neighborhood and community meetings.	12	12	12	12	12

RESOURCE SUMMARY

Position Resources	83.75	85.00	85.00	85.00	85.00
Financial Resources					
General Fund	\$ 5,009,243	\$ 4,619,162	\$ 5,037,820	\$ 5,432,470	\$ 5,397,490
General Fund: Fees and Charges	885,614	1,118,128	1,110,670	1,248,900	1,386,900
Certificates of Participation	-0-	-0-	-0-	95,000	35,000
Financial Resources Total	<u>\$ 5,894,857</u>	<u>\$ 5,737,290</u>	<u>\$ 6,148,490</u>	<u>\$ 6,776,370</u>	<u>\$ 6,819,390</u>

PARKS AND RECREATION

PARKS AND RECREATION GRANTS

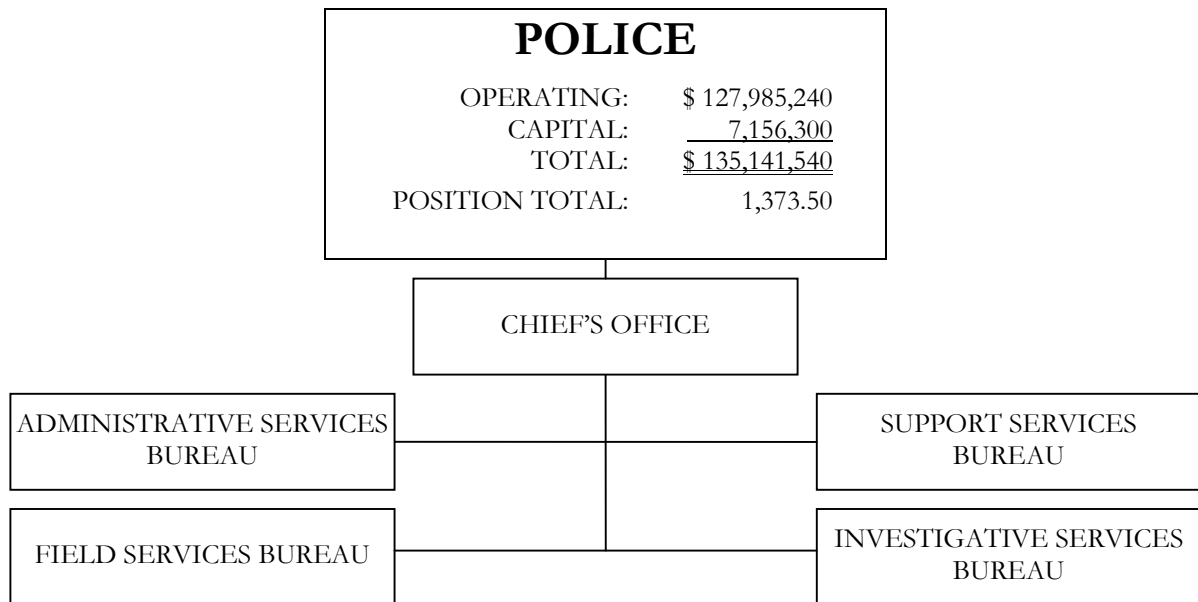
MISSION STATEMENT: The Parks and Recreation Grants Unit seeks federal, state, and local grant funding for the provision of recreational opportunities and community support services. Emphasis is placed on leveraging existing city resources to enhance funding for programs and services.

KEY MEASURES OF PERFORMANCE

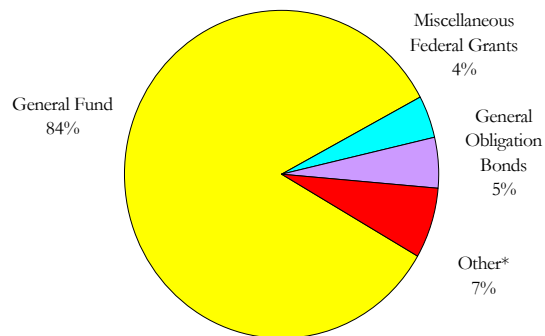
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Secure Parks and Recreation grants through federal, state, and local granting agencies.	8	10	7	8	9
Key Outcomes					
Improve recreational opportunities for the community through the investment of federal, state, and local grant funds (\$000s).	\$ 496	\$ 2,175	\$ 2,139	\$ 2,199	\$ 2,230

RESOURCE SUMMARY

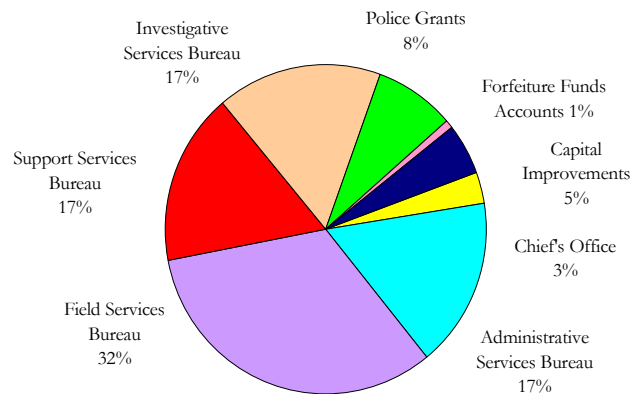
Position Resources	41.25	41.25	41.25	41.25	41.25
Financial Resources					
General Fund	\$ 129,110	\$ 68,330	\$ 113,470	\$ -0-	\$ -0-
General Fund: Parks Foundation	-0-	189,840	189,840	192,980	195,530
General Fund: Restricted	29,459	218,750	105,890	210,920	216,830
Miscellaneous Federal Grants	292,751	619,560	683,660	708,990	725,370
Miscellaneous Non-Federal Grants	44,935	1,078,340	1,045,970	1,086,250	1,092,160
Financial Resources Total	\$ 496,255	\$ 2,174,820	\$ 2,138,830	\$ 2,199,140	\$ 2,229,890



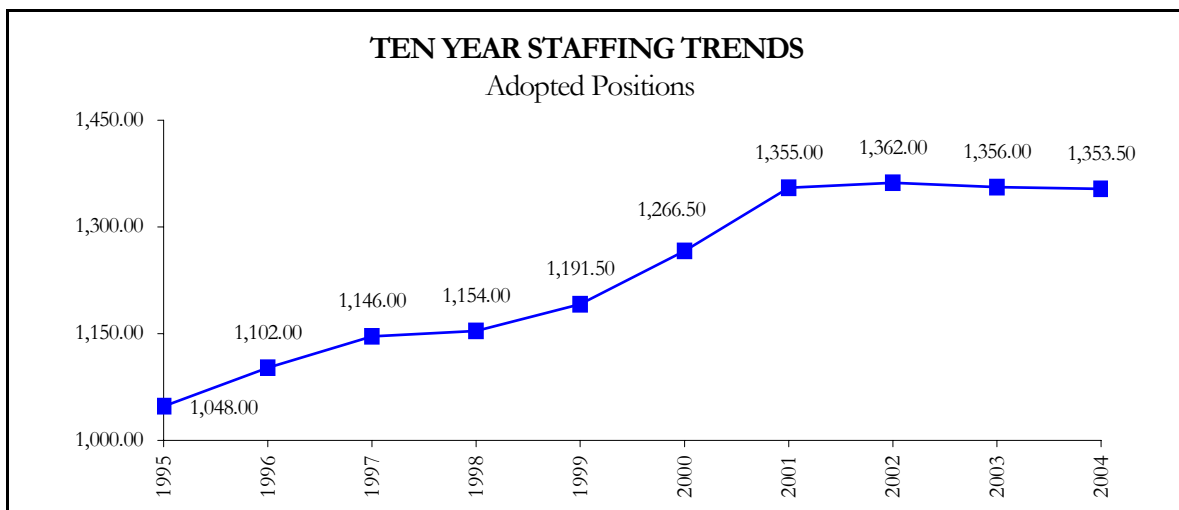
FINANCING PLAN



PROGRAM ALLOCATION



*Includes General Fund - Restricted (2%), Public Safety Academy - General Fund Contribution (2%), General Fund - Forfeiture Funds (1%), Miscellaneous Non-Federal Grants (1%), Certificates of Participation (<1%), and Public Safety Academy - Other Agency Fees (<1%).



POLICE

MISSION STATEMENT: To serve the public in partnership with our community to protect life and property, prevent crime, and resolve problems.

OVERVIEW

The Tucson Police Department is organized into the Chief's Office and four bureaus: Administrative Services, Field Services, Support Services, and Investigative Services. These functional areas are responsible for delivering quality service to the public.

The Chief's Office provides policy direction to the department and ensures the integrity of the organization and its personnel.

The Administrative Services Bureau ensures that individuals of the highest quality are hired for positions within the department and that operational and support functions have the necessary financial and material resources to properly serve the community. The bureau includes the programming and technical personnel necessary to maintain and enhance the department's information systems. Information sharing systems are a direct result of the department's technical staff. Finally, the bureau collects, organizes, and distributes essential information to patrol and investigative staff and provides records to the public.

The Field Services Bureau provides patrol services and initial response to citizen calls for assistance throughout the city and, along with the Support Services Bureau, is the nucleus for community policing efforts within the department.

The Support Services Bureau ensures that all personnel are fully trained and that they maintain the proficiency necessary to continue serving as commissioned officers. The bureau's communications center receives citizen calls for assistance and either dispatches patrol officers to incidents or takes reports over the phone. Support Services also provides air, canine, Special Weapons and Tactics (SWAT), and traffic control assistance to field officers. The bureau administers the School Resource Officer program. It also develops and maintains the department's emergency response plans and conducts training exercises based on these plans.

The Investigative Services Bureau conducts follow-up investigations to develop the information necessary for the successful prosecution of accused criminals. Investigative responsibilities range from crimes against people to crimes against property. The bureau also analyzes and stores evidence gathered to support the prosecution of alleged offenders.

DEPARTMENT HIGHLIGHTS

The Police Department received accreditation from the Commission on Accreditation for Law Enforcement Agencies (CALEA) in November 2001. The department is preparing for reaccreditation in Fiscal Year 2005.

The department operates a false alarm program. The program establishes criteria for responses designed to reduce the likelihood that staff will be sent to false alarms. If the criteria are not met, field officers may not respond under the assumption that the alert is a false alarm. The program has:

- reduced the response to false alarms
- increased the time officers have for preventive patrol
- increased the likelihood that officers will respond more quickly to emergency situations

The dedication of the Patrick K. Hardesty City of Tucson Midtown Multi-Service Center at 22nd Street and Alvernon occurred in January 2004. It houses the Midtown Police Substation and police functions that need to be more centrally located, such as identification, fingerprinting, and parking for the Mobile Command Unit.

Department Highlights (Continued)

The department is using federal grant funds to enhance technology and move significantly closer to an automated information system. These grants provide the necessary funds to upgrade computer technology that will allow patrol officers and investigators to receive more thorough information in a more timely manner. Grants have also provided funding for programs that allow investigative and patrol forces to obtain information while in the field as soon as it is entered into the computer and to share information with other agencies in the region.

The department added a new division to the Field Services Bureau to support the downtown area and the Rio Nuevo project. The division provides a central point of contact for merchants and residents in the downtown area.

The city purchased a large, vacated retail facility at the corner of Miracle Mile and Flowing Wells Road to serve as a new westside substation, and to provide space for evidence storage and the Traffic Section.

The department continued to refine the Tactical Operations Planning (TOP) program. TOP provides a management tool for identifying problem areas within the city, developing plans for resolving these issues, and evaluating the success of the operations. The process offers a mechanism by which the department can work out a focused and comprehensive approach to problem resolution in the community.

The Police Department continues to be involved in the community by presenting public events that serve to educate, facilitate, and improve relationships between department members and the citizens of Tucson. Some events include:

- Annual Tucson Area K-9 Trials
- Holiday community events, such as Shop with a Cop, School Resource Officer's Breakfast with Santa, and the Christmas Tree Decorating Party
- Arizona Law Enforcement Torch Run for Special Olympics

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Safe Neighborhoods

The department works closely with individuals and groups to reduce crime and ensure safe neighborhoods. Community policing is a philosophy that requires officers to become familiar with their areas of assignment and work closely with residents, as well as other city departments, to improve the quality of life for citizens throughout the community.



Goal: Caring, Healthy Families and Youth

The department coordinates with schools and social service agencies to identify and work with at-risk youth to prevent them from making poor decisions that will adversely affect the rest of their lives. The School Resource Officer program places commissioned staff in schools throughout the Amphitheater, Sunnyside, and Tucson Unified school districts to reduce problems and serve as role models for students. Through a grant program, the department identifies at-risk youth and introduces these students to more wholesome and productive environments to show the benefits that grow out of good decisions and choices. The department also participates in the city's Internal Youth Policy Team, together with the Library, Parks and Recreation, Fire, Community Services, and Neighborhood Resources departments.

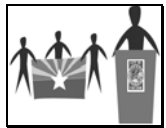
Support For Livable Tucson Goals (Continued)

**Goal: Strong Local Businesses**

The department supports businesses by investigating and arresting individuals who commit crimes against individuals and firms in the Tucson area. Officers provide advice to companies on methods to deter crime in and around their businesses. By reducing crime, the department creates an environment in which businesses can flourish.

**Goal: Successful Downtown**

The department provides a safe environment to help the downtown area prosper. Foot and bike patrols furnish protection to citizens who frequent or occasionally visit the downtown area.

**Goal: Engaged Community and Responsive Government**

The department promotes an engaged community and responsive government through its commitment to community based policing. The department has a citizen's steering committee to obtain public input on policies and future direction. Programs supporting an involved public include Neighborhood Watch, citizen meetings to determine public satisfaction with the department, the Citizen's Police Academy, and reserve officer and volunteer programs.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Chief's Office	43.00	43.00	41.00	42.00	42.00
Administrative Services Bureau	131.00	130.00	126.00	125.00	125.00
Field Services Bureau	560.00	560.00	609.00	617.00	640.00
Support Services Bureau	234.00	234.00	236.00	233.00	233.00
Investigative Services Bureau	248.50	247.50	253.50	268.50	277.50
Police Grants	134.50	133.00	84.00	82.00	82.00
Permanent Total	1,351.00	1,347.50	1,349.50	1,367.50	1,399.50
NON-PERMANENT					
Police Grants	6.00	6.00	6.00	6.00	6.00
Non-Permanent Total	6.00	6.00	6.00	6.00	6.00
Department Total	1,357.00	1,353.50	1,355.50	1,373.50	1,405.50

Note: The Fiscal Year 2004 Adopted Budget has been corrected to reflect the addition of one position authorized in Fiscal Year 2003.

POLICE**Department Resources (Continued)**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
COMMISSIONED PERSONNEL BY CLASSIFICATION					
Police Chief	1.00	1.00	1.00	1.00	1.00
Police Lieutenant - Assignment: Assistant Police Chief	4.00	4.00	4.00	4.00	4.00
Police Lieutenant - Assignment: Police Captain	14.00	14.00	14.00	14.00	14.00
Police Lieutenant	27.00	27.00	27.00	27.00	27.00
Police Sergeant - Assignment	33.00	33.00	57.00	57.00	57.00
Police Sergeant	85.50	85.00	61.00	61.00	64.00
Detective Assignment	5.00	5.00	4.00	4.00	4.00
Detective	129.00	128.00	129.00	129.00	129.00
Hazardous Device Technician*	0.00	0.00	2.00	2.00	2.00
Police Officer - Assignment	244.00	245.00	287.00	287.00	287.00
Police Officer	454.00	454.00	410.00	415.00	435.00
Commissioned Personnel Total	996.50	996.00	996.00	1,001.00	1,024.00

FINANCIAL SUMMARY

Chief's Office	\$ 3,951,311	\$ 3,404,070	\$ 3,404,070	\$ 4,182,320	\$ 4,172,710
Administrative Services Bureau	21,954,053	22,174,520	22,694,520	22,560,570	23,431,730
Field Services Bureau	38,005,334	38,791,500	39,569,500	43,440,070	48,518,510
Support Services Bureau	19,184,683	20,199,950	20,199,950	23,023,840	23,622,710
Investigative Services Bureau	18,779,826	18,683,130	18,683,130	22,309,200	23,584,310
Police Grants	9,148,088	13,066,340	13,008,410	10,697,090	10,492,320
Forfeiture Funds Accounts	610,613	2,369,230	2,369,230	1,772,150	1,772,150
Operating Total	111,633,908	118,688,740	119,928,810	127,985,240	135,594,440
Capital Improvements	7,721,749	3,971,200	642,700	7,156,300	3,444,000
Department Total	\$ 119,355,657	\$ 122,659,940	\$ 120,571,510	\$ 135,141,540	\$ 139,038,440

CHARACTER OF EXPENDITURES

Personal Services	\$ 88,886,309	\$ 89,898,360	\$ 90,363,600	\$ 97,853,570	\$ 105,542,490
Services	11,080,733	10,568,740	10,743,320	10,977,520	11,152,970
Commodities	4,640,739	3,306,300	3,599,490	4,097,960	3,787,770
Equipment	1,749,068	649,680	839,920	708,960	1,147,950
Other	5,277,059	8,278,610	8,553,610	8,514,430	8,513,560
Inter-Activity Transfers	-0-	5,987,050	5,828,870	5,832,800	5,449,700
Operating Total	111,633,908	118,688,740	119,928,810	127,985,240	135,594,440
Capital Improvements	7,721,749	3,971,200	642,700	7,156,300	3,444,000
Department Total	\$ 119,355,657	\$ 122,659,940	\$ 120,571,510	\$ 135,141,540	\$ 139,038,440

*Two police officer assignment positions were allocated to hazardous device technicians in Fiscal Year 2004.

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
SOURCE OF FUNDS					
OPERATING FUNDS					
General Fund	\$ 100,561,020	\$ 104,145,850	\$ 105,360,860	\$ 113,400,150	\$ 121,024,720
General Fund: Forfeiture Funds	595,097	1,769,230	1,769,230	1,772,150	1,772,150
General Fund: Restricted	1,883,627	3,000,000	3,000,000	3,129,170	3,131,680
Certificates of Participation	-0-	-0-	-0-	59,280	443,000
Miscellaneous Federal Grants	5,449,802	6,250,450	6,250,490	5,797,280	5,317,020
Miscellaneous Non-Federal Grants	875,031	1,053,200	1,053,220	1,142,390	1,154,150
Public Safety Academy Fund: General Fund Contribution	1,835,121	2,029,740	2,054,740	2,244,550	2,311,450
Public Safety Academy Fund: Other Agency Fees	434,210	440,270	440,270	440,270	440,270
Operating Funds Total	\$ 111,633,908	\$ 118,688,740	\$ 119,928,810	\$ 127,985,240	\$ 135,594,440
CAPITAL FUNDS					
Certificates of Participation	\$ 655,995	\$ 232,500	\$ 232,500	\$ 468,100	\$ 3,444,000
Public Safety Academy Fund: General Fund Contribution	2,443	-0-	-0-	-0-	-0-
2000 General Obligation Bond Funds	7,063,311	3,738,700	397,300	6,688,200	-0-
1994 General Obligation Bond Funds	-0-	-0-	12,900	-0-	-0-
Capital Funds Total	\$ 7,721,749	\$ 3,971,200	\$ 642,700	\$ 7,156,300	\$ 3,444,000
Department Total	\$ 119,355,657	\$ 122,659,940	\$ 120,571,510	\$ 135,141,540	\$ 139,038,440

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$127,985,240 reflects an increase of \$9,296,500 from the Fiscal Year 2004 Adopted Budget. This increase includes \$5.1 million to fully fund a force of 1,001 police officers by the end of Fiscal Year 2005. Of this increase, \$4 million is for commissioned officer personal services. Although this amount funds an increase of 71 officers over Fiscal Year 2004 funding levels, it represents an addition of five authorized police officer positions. The additional \$1.1 million for support includes 13 civilian positions in the areas of evidence, crime lab, and criminal identification as well as increased helicopter flights hours and jail costs. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment (2.8% for commissioned officers), coverage for health insurance and pension increases. Other significant changes are as follows:

- ◆ Increases in the price of fuel and fleet maintenance and replacement costs add \$901,250.
- ◆ A change in the formula allocating maintenance and related facility costs will result in a \$714,820 transfer from the General Services Department.
- ◆ Maintaining recent gains in technology requires an investment of \$654,470.
- ◆ These increases are offset by decreases in federal funding of \$242,400.
- ◆ Completion of acquisitions began in Fiscal Year 2004 are funded through a \$58,000 carryforward.
- ◆ One position was transferred from City Clerk.

The Fiscal Year 2005 Capital Budget of \$7,156,300 primarily funds renovation of a facility to serve as a new police substation to replace the Rillito Substation.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$135,594,440 includes an increase of \$7,609,200 from Fiscal Year 2005. This includes \$3 million for full year funding of positions added in Fiscal Year 2005 and \$1.8 million for an additional 23 police officers. Funding to support the expanded police force will increase \$0.6 million including 9 positions. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance and pension increases.

The Fiscal Year 2006 Capital Budget of \$3,444,000 completes the new police substation.

CHIEF'S OFFICE

MISSION STATEMENT: The Chief's Office develops and implements policies that provide the highest quality of service to the community and ensures that these policies are carried out by establishing and maintaining requisite operating procedures and evaluation processes. The office provides planning and analysis support for the department, coordinates development of the operating and capital budgets, and monitors expenditures.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Respond to public inquiries and contacts through the Internal Affairs Unit within the Professional Standards Section.	970	1,650	1,018	1,069	1,122
Key Outcomes					
Optimize patrol function staffing levels to benefit the community.					
• Percent of patrol officer time available for community-based policing	22.8%	20.0%	22.0%	22.0%	22.0%
Complete investigations initiated by internal or external complaints.					
• Number of investigations initiated	681	1,600	715	751	788
• Percent of investigations completed within the goal of 20 working days	88.4%	90.0%	64.4%	67.6%	70.9%

RESOURCE SUMMARY

Position Resources	43.00	43.00	41.00	42.00	42.00
Financial Resources					
General Fund	\$ 3,951,311	\$ 3,404,070	\$ 3,404,070	\$ 4,182,320	\$ 4,172,710

ADMINISTRATIVE SERVICES BUREAU

MISSION STATEMENT: The Administrative Services Bureau provides the department with highly qualified commissioned and non-commissioned personnel who reflect the diversity of the city's population. The bureau provides financial, material, and information resources to department personnel so that they can furnish the best possible service to the community; coordinates the maintenance and acquisition of facilities and equipment and manages capital projects; facilitates police operations by providing technological support and development; furnishes public records to citizens; and reports to investigative staff for following up potential leads.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Increase department staffing to authorized levels by the end of Fiscal Year 2005.					
• Percent of staffing	95%	96%	96%	100%	100%
Copy and distribute police incident reports.	140,231	192,675	145,139	150,218	155,476
Maintain fleet readiness by ensuring that all city maintained vehicles are available for departments use at any given time.					
• Percent available	91%	91%	93%	94%	94%
Key Outcomes					
Copy and distribute all police incident reports.					
• Percent within 24 hours of receipt	100%	100%	100%	100%	100%

RESOURCE SUMMARY

Position Resources	131.00	130.00	126.00	125.00	125.00
Financial Resources					
General Fund	\$ 21,954,053	\$ 22,174,520	\$ 22,694,520	\$ 22,560,570	\$ 23,431,730

FIELD SERVICES BUREAU

MISSION STATEMENT: The Field Services Bureau protects life and property, prevents crime, preserves the peace, maintains order, and arrests suspected offenders by providing 24-hour-a-day response to calls for service. The bureau interacts with individual neighborhoods and community groups in the resolution of problems, planning for special events, and improving the quality of life.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Respond to calls for service.					
• Number of emergency response calls	3,488	2,300	2,800	2,900	3,100
• Number of critical response calls	39,132	33,000	40,900	43,000	45,100
• Number of urgent response calls	95,710	103,500	94,600	99,300	104,300
• Number of general response calls	113,637	125,400	105,000	110,200	115,700
Key Outcomes					
Respond to emergency response calls.					
• Percent within five minutes	68.2%	90.0%	90.0%	90.0%	90.0%
Respond to critical response calls.					
• Percent within ten minutes	72.4%	90.0%	90.0%	90.0%	90.0%
Respond to urgent response calls.					
• Percent within 30 minutes	90.9%	90.0%	90.0%	90.0%	90.0%
Respond to general response calls.					
• Percent within 60 minutes	68.9%	90.0%	90.0%	90.0%	90.0%

RESOURCE SUMMARY

Position Resources	560.00	560.00	609.00	617.00	640.00
Financial Resources					
General Fund	\$ 38,005,334	\$ 38,791,500	\$ 39,569,500	\$ 43,380,790	\$ 48,074,010
Certificates of Participation	-0-	-0-	-0-	59,280	443,000
Public Safety Academy Fund: General Fund Contribution	-0-	-0-	-0-	-0-	1,500
Financial Resources Total	\$ 38,005,334	\$ 38,791,500	\$ 39,569,500	\$ 43,440,070	\$ 48,518,510

SUPPORT SERVICES BUREAU

MISSION STATEMENT: The Support Services Bureau serves as a communications link between the community and the department. The bureau provides basic and advanced training to commissioned recruits and incumbents respectively, operational support for patrol officers, and crime prevention information to neighborhoods and businesses. The bureau places officers into the public school systems to reduce problems and to serve as role models for the community's youth.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Answer emergency 9-1-1 calls routed to the Tucson Police Department.	357,675	430,500	368,405	379,457	390,840
Process other service-related calls.					
• Inbound service calls	228,437	225,100	235,290	243,490	249,619
• Outbound service calls	276,000	451,400	284,280	292,808	301,592
Answer calls to the Tucson Police Department non-emergency line (791-4444).	95,168	143,500	98,023	100,924	103,993
Meet with school classes, groups, and associations to deliver presentations on the topics of gang resistance, substance abuse, crime prevention, personal safety, and bicycle safety.					
• Number of presentations	4,570	3,500	4,549	4,549	4,549
Respond to calls for service in support of police operations.					
• Service Dog Unit	4,192	5,180	4,794	4,800	4,800
• Air Support Unit	8,417	12,420	6,074	6,100	6,100
• Special Weapons and Tactics (SWAT)	138	220	171	175	175
• Emergency Hazardous Device Division (EHDD)	135	N/A	135	133	130
Key Outcomes					
Answer emergency 9-1-1 calls within ten seconds of the time a call is transferred to the Tucson Police Department.					
• Percent within ten seconds	58%	60%	60%	60%	60%
Answer other service calls within ten seconds.	30%	60%	60%	60%	60%

Support Services Bureau (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Process other service, outbound calls within three minutes.	60%	60%	60%	60%	60%
Answer non-emergency line (791-4444) calls within 30 seconds of the time a call enters the queue.					
• Percent within 30 seconds	30%	60%	60%	60%	60%
Process non-emergency line calls within three minutes.					
• Percent within three minutes	90%	60%	60%	60%	60%
Reduce traffic collision rates.*					
• Number of injury-producing collisions per thousand of population	15.60	18.00	18.36	19.09	19.85
• Number of overall collisions per thousand of population	33.00	30.00	30.60	31.82	33.09

*Estimates reflect historical evidence that collision rates increase more quickly as population growth rates increase.

RESOURCE SUMMARY

Position Resources	234.00	234.00	236.00	233.00	233.00
Financial Resources					
General Fund	\$ 15,031,725	\$ 14,729,940	\$ 14,704,940	\$ 17,140,500	\$ 17,670,510
General Fund: Restricted	1,883,627	3,000,000	3,000,000	3,129,170	3,131,680
Public Safety Academy Fund: General Fund Contribution	1,835,121	2,029,740	2,054,740	2,244,550	2,309,950
Public Safety Academy Fund: Other Agency Fees	434,210	440,270	440,270	440,270	440,270
Miscellaneous Federal Grants	-0-	-0-	-0-	69,350	70,300
Financial Resources Total	\$ 19,184,683	\$ 20,199,950	\$ 20,199,950	\$ 23,023,840	\$ 23,622,710

INVESTIGATIVE SERVICES BUREAU

MISSION STATEMENT: The Investigative Services Bureau conducts follow-up investigations and ensures that violent and habitual criminals are arrested and prosecuted to the fullest extent, combats the illegal drug trade through vigorous interdiction, and participates in other activities designed to reduce the financial incentive for crime.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Process requests for evidence comparison and analysis sent to the crime laboratory.	4,921	10,000	5,000	5,100	5,150
Respond to requests for identification services from officers.	4,176	4,500	3,600	3,800	4,000
Process incoming items of evidence and property.	80,815	82,000	80,000	81,000	82,000
Key Outcomes					
Complete requests for comparison and analysis sent to the crime laboratory within the established due dates.					
• Percent of timely completion	41.8%	70.0%	42.0%	43.0%	44.0%
Respond to requests for identification services from officers.					
• Percent of timely completion	69%	80%	82%	83%	84%
Process items of evidence and property for release and disposal.	23,380	50,000	60,000	60,000	60,000
Optimize clearance rates for the following crimes:					
• Homicide	78.4%	80.0%	79.0%	80.0%	82.0%
• Sexual Assault	27.1%	15.0%	22.0%	24.0%	25.0%
• Robbery	21.6%	20.0%	21.0%	23.0%	25.0%
• Aggravated Assault	32.5%	40.0%	32.0%	34.0%	36.0%
• Burglary	6.7%	5.0%	7.0%	7.0%	8.0%
• Larceny	28.1%	15.0%	28.0%	29.0%	30.0%
• Auto Theft	7.2%	10.0%	8.0%	8.0%	9.0%

RESOURCE SUMMARY

Position Resources	248.50	247.50	253.50	268.50	277.50
Financial Resources					
General Fund	\$ 18,779,826	\$ 18,683,130	\$ 18,683,130	\$ 22,309,200	\$ 23,584,310

POLICE GRANTS

MISSION STATEMENT: The Police Grants Unit provides the budget capacity for potential grant funding from federal and state agencies and other funding sources to enhance law enforcement resources.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Enhance police resources by applying for grant funding.					
• Number of applications	31	20	33	33	33
Key Outcomes					
Improve police services to the community by obtaining resources from federal and state grants or other funding sources.					
• Number of grants received	25	23	30	30	30
• Percent of grant applications that are approved	100%	90%	90%	90%	90%

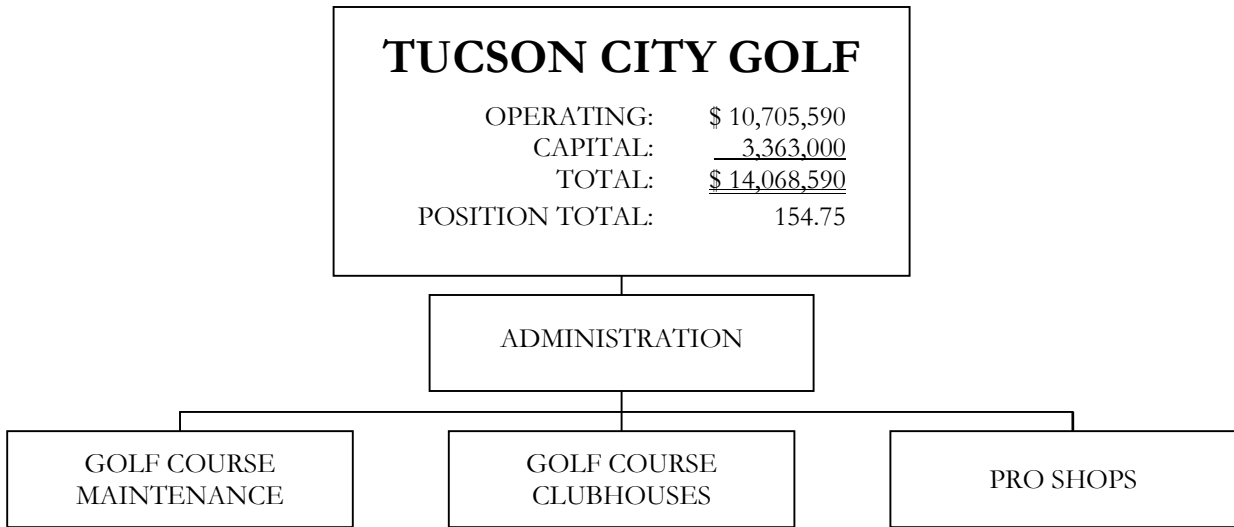
RESOURCE SUMMARY

Position Resources	140.50	139.00	90.00	88.00	88.00
Financial Resources					
General Fund	\$ 2,836,116	\$ 6,362,690	\$ 6,304,700	\$ 3,826,770	\$ 4,091,450
Miscellaneous Federal Grants	5,436,941	5,650,450	5,650,490	5,727,930	5,246,720
Miscellaneous Non-Federal Grants	875,031	1,053,200	1,053,220	1,142,390	1,154,150
Financial Resources Total	\$ 9,148,088	\$ 13,066,340	\$ 13,008,410	\$ 10,697,090	\$ 10,492,320

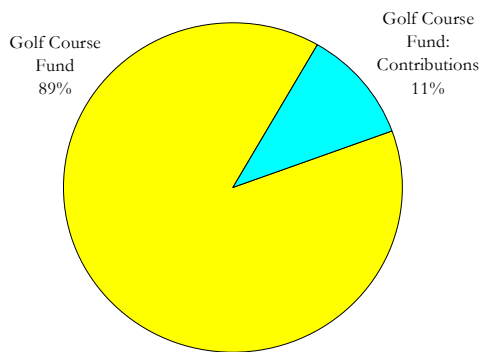
FORFEITURE FUNDS ACCOUNTS

RESOURCE SUMMARY

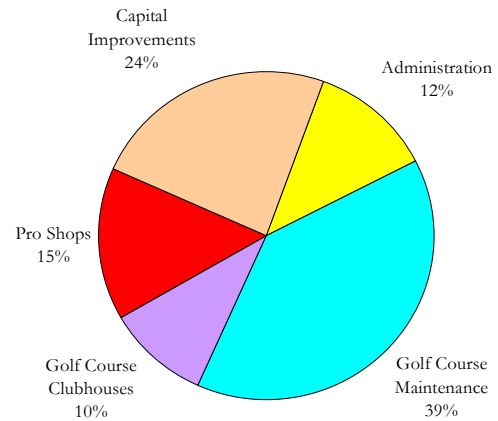
Financial Resources					
General Fund	\$ 2,655	\$ -0-	\$ -0-	\$ -0-	\$ -0-
General Fund: Forfeiture Funds	595,097	1,769,230	1,769,230	1,772,150	1,772,150
Miscellaneous Federal Grants	12,861	600,000	600,000	-0-	-0-
Financial Resources Total	\$ 610,613	\$ 2,369,230	\$ 2,369,230	\$ 1,772,150	\$ 1,772,150



FINANCING PLAN

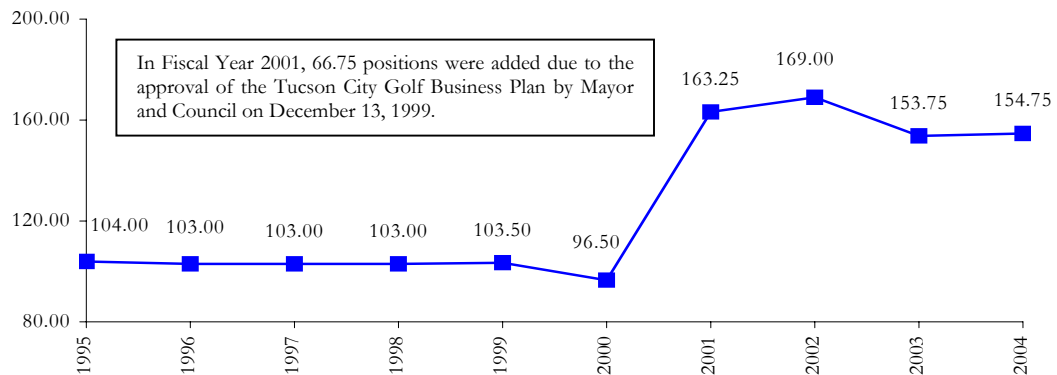


PROGRAM ALLOCATION



TEN YEAR STAFFING TRENDS

Adopted Positions



TUCSON CITY GOLF

MISSION STATEMENT: To maintain our golf course environments to the highest standard; establish ongoing training programs to ensure the highest level of golf course maintenance and customer service; demonstrate a positive economic investment in retail and concessions operations; and develop and promote new programs to increase our annual user base while improving communications with our golfers.

OVERVIEW

Tucson City Golf (TCG) operates and manages five golf courses, four retail pro shops, four driving ranges, and four clubhouse restaurants. TCG operations are self-supporting through the revenues generated by users. TCG promotes and assists local youth golf programs to provide golfing and training opportunities while improving golf etiquette. TCG's proactive marketing plan educates our customer base about TCG pricing values year round. TCG has established a strong communication system with our local golfers, charity groups, and golf clubs. TCG has developed a dedicated and trained workforce that provides excellent customer service and is skilled in golf course maintenance and etiquette to increase the enjoyment and frequency of play at all golf courses. The divisions of TCG are Administration, Golf Course Maintenance, Golf Course Clubhouses, and Pro Shops.

DEPARTMENT HIGHLIGHTS

TCG, in partnership with the Tucson Conquistadores, will renovate the Trini Alvarez–El Rio Golf Course. The end goal of the partnership is to re-open and operate the Trini Alvarez–El Rio Golf Course as a youth golf training First Tee Facility.

TCG continues to improve golf course conditions and overall customer service.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Caring, Healthy Families and Youth

The Junior Golf Program in Tucson is one of the most outstanding in the country. Administered by Tucson City Golf and financially supported by the Tucson Conquistadores, each year it affords nearly 2,000 youth the opportunity to play golf for a nominal fee of \$1.00.



Goal: Abundant Urban Green Space and Recreation Areas

Tucson City Golf provides recreational opportunities for resident and visiting golfers on five golf courses. There are over 600 acres of turf maintained by Tucson City Golf, along with thousands of trees. In the heart of Tucson lies the Randolph Golf Course complex, an oasis of green open space consisting of two 18-hole golf courses in the midst of a thriving urban environment.



Goal: Clean Air and Quality Water

Tucson City Golf irrigates turf on the golf courses through the use of reclaimed water, saving approximately 900 million gallons of groundwater annually.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Administration	6.00	6.00	6.00	6.00	6.00
Golf Course Maintenance	23.00	23.00	23.00	23.00	23.00
Golf Course Clubhouses	6.00	6.00	6.00	6.00	6.00
Pro Shops	9.00	9.00	9.00	9.00	9.00
Permanent Total	44.00	44.00	44.00	44.00	44.00
NON-PERMANENT					
Golf Course Maintenance	47.00	47.00	47.00	47.00	47.00
Golf Course Clubhouses	19.75	19.75	19.75	19.75	19.75
Pro Shops	44.00	44.00	44.00	44.00	44.00
Non-Permanent Total	110.75	110.75	110.75	110.75	110.75
Department Total	154.75	154.75	154.75	154.75	154.75

FINANCIAL SUMMARY

Administration	\$ 1,113,997	\$ 1,624,210	\$ 1,426,220	\$ 1,665,980	\$ 1,704,590
Golf Course Maintenance	4,710,811	5,291,420	5,289,770	5,565,460	5,712,130
Golf Course Clubhouses	1,295,115	1,263,700	1,431,150	1,411,580	1,444,050
ProShops	1,830,783	1,881,300	1,913,490	2,062,570	2,126,740
Operating Total	8,950,706	10,060,630	10,060,630	10,705,590	10,987,510
Capital Improvements	3,374	2,048,900	2,048,900	3,363,000	-0-
Department Total	\$ 8,954,080	\$ 12,109,530	\$ 12,109,530	\$ 14,068,590	\$ 10,987,510

CHARACTER OF EXPENDITURES

Personal Services	\$ 4,492,639	\$ 4,828,440	\$ 4,613,920	\$ 5,130,970	\$ 5,365,550
Services	2,154,237	2,117,250	2,494,410	2,411,700	2,458,050
Commodities	1,989,840	2,174,170	2,023,190	2,239,840	2,239,840
Equipment	9,999	285,300	563,300	285,300	285,300
Debt Service	303,991	365,810	365,810	365,810	365,810
Other	-0-	289,660	-0-	271,970	272,960
Operating Total	8,950,706	10,060,630	10,060,630	10,705,590	10,987,510
Capital Improvements	3,374	2,048,900	2,048,900	3,363,000	-0-
Department Total	\$ 8,954,080	\$ 12,109,530	\$ 12,109,530	\$ 14,068,590	\$ 10,987,510

Note: The Fiscal Year 2004 Adopted Budget has been corrected to reflect the addition of one position authorized in Fiscal Year 2003.

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
SOURCE OF FUNDS					
OPERATING FUNDS					
Golf Course Fund	\$ 8,950,706	\$ 10,060,630	\$ 10,060,630	\$ 10,705,590	\$ 10,987,510
Operating Funds Total	\$ 8,950,706	\$ 10,060,630	\$ 10,060,630	\$ 10,705,590	\$ 10,987,510
CAPITAL FUNDS					
Golf Course Fund	\$ 841	\$ 1,710,000	\$ 1,710,000	\$ 1,763,000	\$ -0-
Golf Course Fund: Certificates of Participation	2,533	338,900	338,900	-0-	-0-
Golf Course Fund: Contributions	-0-	-0-	-0-	1,600,000	-0-
Capital Funds Total	\$ 3,374	\$ 2,048,900	\$ 2,048,900	\$ 3,363,000	\$ -0-
Department Total	\$ 8,954,080	\$ 12,109,530	\$ 12,109,530	\$ 14,068,590	\$ 10,987,510

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$10,705,590 reflects an increase of \$644,960 from the Fiscal Year 2004 Adopted Budget. A change in the formula for allocating maintenance and related facility costs will result in a \$227,880 transfer from the General Services Department. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance and pension increases.

The Fiscal Year 2005 Capital Budget of \$3,363,000 completes renovations at Trini Alvarez-El Rio Golf Course to replace the irrigation system and develop a youth golf training facility, as well as miscellaneous golf course improvements citywide.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$10,987,510 includes an increase of \$281,920 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance and pension increases.

There is no capital budget for Fiscal Year 2006.

ADMINISTRATION

MISSION STATEMENT: The Administration Division ensures an enjoyable golfing experience for Tucson residents and visitors by scheduling year-round play; effectively administering the automated tee time reservation and resident golf card programs; exercising prudent financial management and control of Tucson City Golf; and coordinating tournament play such as the annual Ladies Professional Golf Association (LPGA) Tournament.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide opportunities for junior golf play.					
• Number of junior card holders	2,300	2,200	2,300	2,350	2,400
• Total rounds of junior golf	16,300	20,000	17,000	19,000	20,000
Issue or process renewals for resident and senior golf cards.	15,000	22,500	18,000	21,000	22,500
Key Outcomes					
Provide five municipal golf courses and four driving ranges for the enjoyment and recreation of the public.					
• Total rounds of golf (18-hole equivalent)	295,000	310,000	272,000	268,000	290,000

RESOURCE SUMMARY

Position Resources	6.00	6.00	6.00	6.00	6.00
Financial Resources					
Golf Course Fund	\$ 1,113,997	\$ 1,624,210	\$ 1,426,220	\$ 1,665,980	\$ 1,704,590

GOLF COURSE MAINTENANCE

MISSION STATEMENT: The Golf Course Maintenance Division provides Tucson residents and visitors with five well-maintained golf courses and four driving ranges through a comprehensive maintenance program that is conscious of natural resource conservation.

KEY MEASURES OF PERFORMANCE

Key Outputs					
Maintain 600 turfed acres for daily golf play.					
• Fairways mowed twice weekly	180	175	180	180	180
• Tees mowed three times weekly	270	22	270	270	270
• Greens mowed daily	90	15	90	90	90
• Driving ranges and hitting stations	110	47	110	110	110

Golf Course Maintenance (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outcomes					
Conserve groundwater through the use of reclaimed water for irrigation of five golf courses (millions of gallons).	900	900	900	900	900
Maintain percentage of golf course patrons rating golf course facilities "satisfactory" or better.	82%	82%	85%	85%	85%

RESOURCE SUMMARY

Position Resources	70.00	70.00	70.00	70.00	70.00
Financial Resources					
Golf Course Fund	\$ 4,710,811	\$ 5,291,420	\$ 5,289,770	\$ 5,565,460	\$ 5,712,130

GOLF COURSE CLUBHOUSES

MISSION STATEMENT: The Golf Course Clubhouses Division manages the clubhouses at each golf course with an emphasis on providing superior customer service. Full-service restaurants provide reasonably priced, high quality food and beverage services for golfers and non-golfers, and banquet and catering services for special occasions.

KEY MEASURES OF PERFORMANCE**Key Outputs**

Provide banquet and catering services at the four golf course clubhouses.

• Golf groups	107	110	120	125	130
• Non-golf groups	401	396	415	420	425

Key Outcomes

Provide clubhouse food service that meets health and safety requirements.

• Pima County Health Department rating (average score)	95%	95%	95%	95%	95%
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RESOURCE SUMMARY

Position Resources	25.75	25.75	25.75	25.75	25.75
Financial Resources					
Golf Course Fund	\$ 1,295,115	\$ 1,263,700	\$ 1,431,150	\$ 1,411,580	\$ 1,444,050

PRO SHOPS

MISSION STATEMENT: The Pro Shops Division manages the golf pro shops at each golf course with an emphasis on providing superior customer service. Full-service golf pro shops collect all greens fees, offer golf merchandise for sale, manage golf course operations, and operate the driving range.

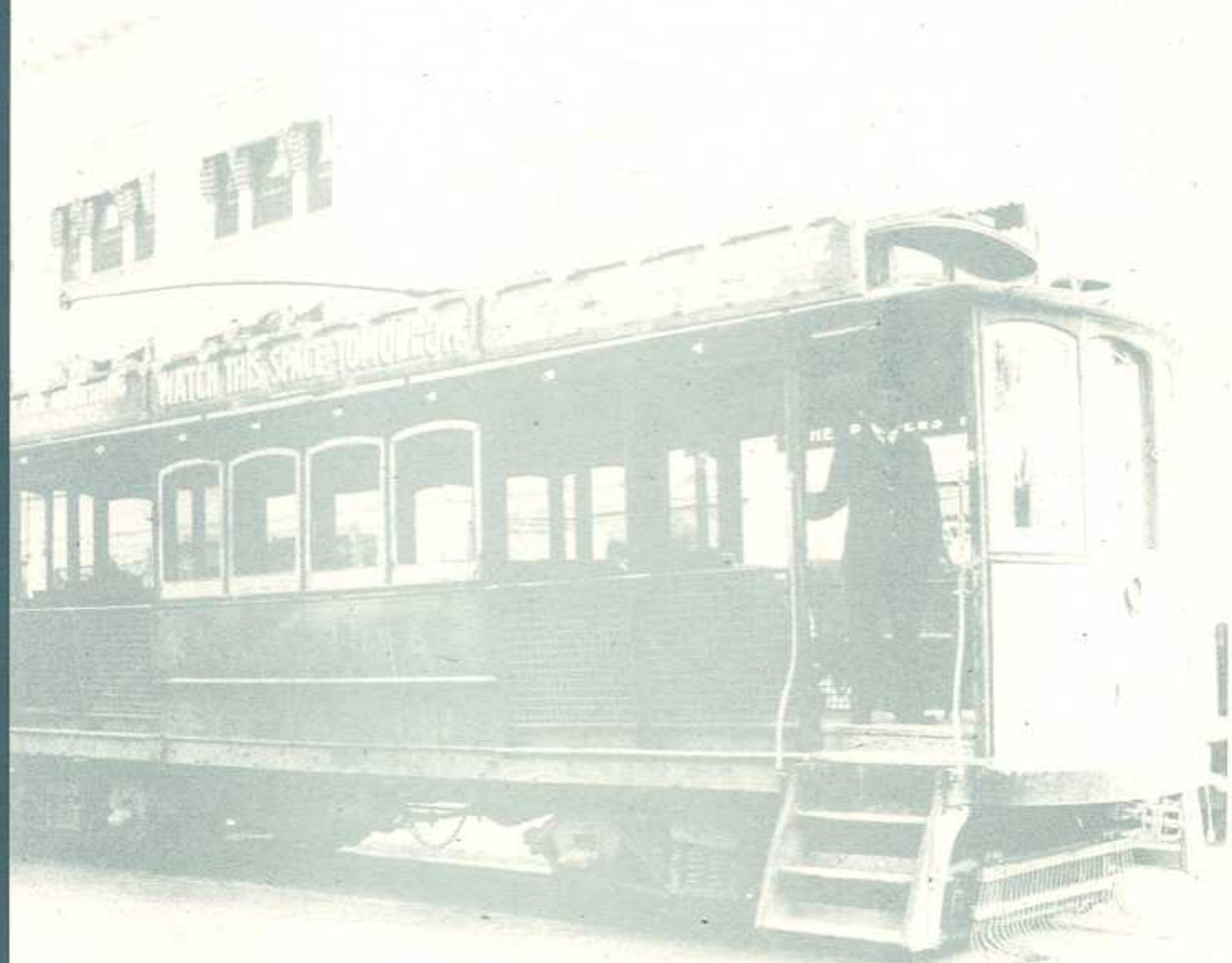
KEY MEASURES OF PERFORMANCE

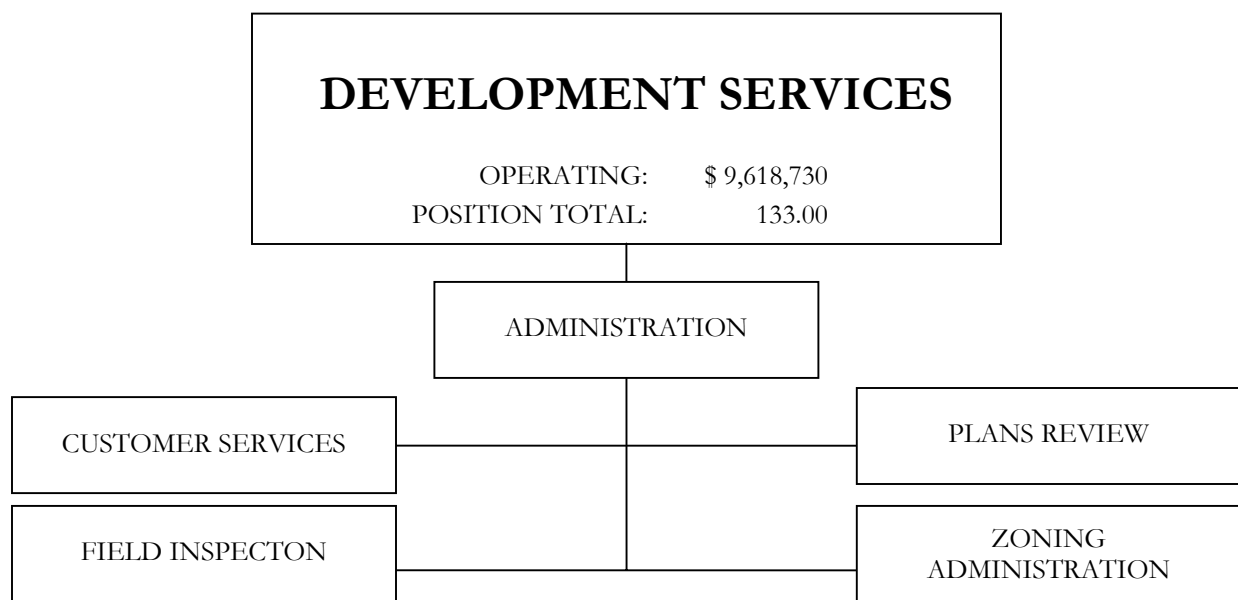
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide operations support, customer service, golf lessons, and merchandise sales at the four golf course pro shops.					
• Hours of golf lessons	2,600	4,200	2,800	2,900	3,000
• Revenue from driving range	\$ 517,000	\$ 561,800	\$ 495,000	\$ 567,000	\$ 604,000
• Revenue from pro shops	\$ 622,000	\$ 547,000	\$ 674,000	\$ 598,000	\$ 655,000
Key Outcomes					
Provide quality pro shop services.					
• Average customer satisfaction rating (scale of 1 to 5)	3.75	3.75	3.75	3.75	3.75

RESOURCE SUMMARY

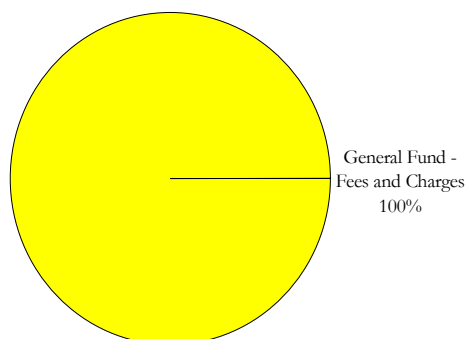
Position Resources	53.00	53.00	53.00	53.00	53.00
Financial Resources					
Golf Course Fund	\$ 1,830,783	\$ 1,881,300	\$ 1,913,490	\$ 2,062,570	\$ 2,126,740

ENVIRONMENT & DEVELOPMENT

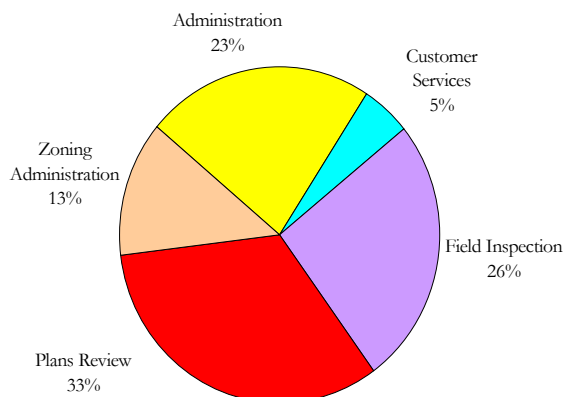




FINANCING PLAN

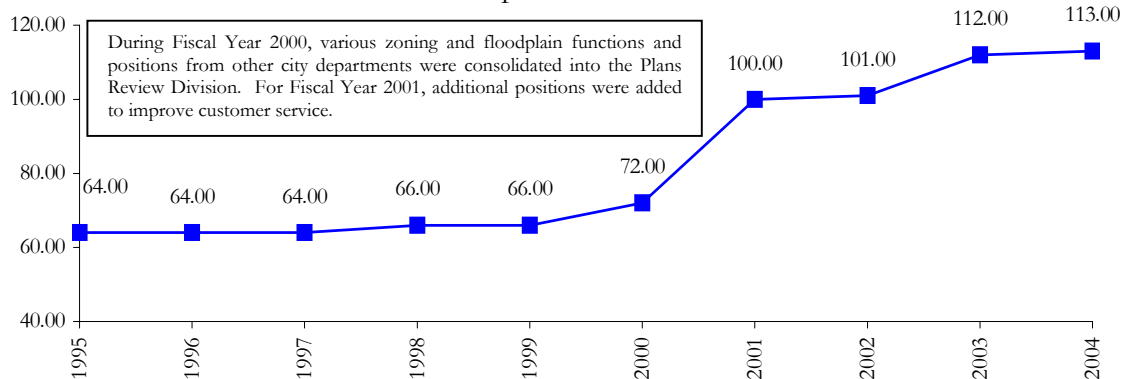


PROGRAM ALLOCATION



TEN YEAR STAFFING TRENDS

Adopted Positions



DEVELOPMENT SERVICES

MISSION STATEMENT: Facilitating a safe, attractive, and sustainable community. Working in partnership with the community to build a safe and beautiful city while preserving Tucson's unique heritage. Sharing knowledge through education and technology to encourage innovative development and design solutions. Providing and maintaining a safe, fulfilling, and enriching environment for our staff that encourages open communication and participation.

OVERVIEW

The Development Services Department manages comprehensive zoning administration, rezoning, plan review, and field inspection services for residential and business construction activities. Experienced and qualified personnel provide technical assistance on building and development-related codes, plan review, permits, and inspections to ensure compliance to the adopted city codes.

The department is organized into five divisions: Administration, Customer Service, Plans Review, Field Inspections, and Zoning Administration. These divisions address the regulatory functions governing development and construction in the city.

The city and county share a computerized plan review and permitting system. This software assures the customer that all code-related items have been reviewed and all necessary inspections are conducted. The software also allows the tracking, monitoring, and resolution of complaints. In addition, the department maintains plan review files, inspection records, and approved plans on microfilm in a centralized location accessible to the public.

The department also addresses reported violations of the city's zoning, building, and sign codes through plan review, permitting, and by a comprehensive complaint inspection process. Enforcement of the city's sign code aims to balance a highly aesthetic image for the community with the needs of businesses for identification and advertisement.

DEPARTMENT HIGHLIGHTS

The Development Services Department is committed to providing excellent customer service. The department has engaged in providing training to enhance and upgrade the existing skills of the employees.

The Development Services Department provides standardized four-week time frames for all submitted plan reviews.

The department provides a resource-rich Web site (www.cityoftucson.org/dsd) to facilitate information sharing with both our internal and external customers. The "E-Services" portion of the Web site provides customers the ability to monitor permitted development within the City of Tucson. Through "E-Services" one can access the status and staff comments of plan reviews, inspection results, contractor permit activity, pre-payment account balances, schedule and cancel field inspections, and obtain and pay for routine permits, 24-hours a day. Additionally, relevant codes, fee schedules, and the Development Services Procedural Manual are also provided.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Engaged Community and Responsive Government

The Development Services Department staff facilitates neighborhood meetings to discuss the functions of the department and to address issues of concern regarding development-related code enforcement and compliance efforts. The department conducts classes and outreach programs for user groups to assist citizens with the permitting and code enforcement processes. The department seeks to improve its service delivery to the community through the use of surveys and client interactions.



Goal: Safe Neighborhoods

The Development Services Department actively seeks to provide safe and attractive neighborhoods through the planning and review of construction projects, and the administration of the zoning and sign codes to assure compliance with city and neighborhood plans. The department also works cooperatively with other city departments, including the Police Department, Fire Department, Environmental Services, Neighborhood Resources, and other health and safety agencies in responding to emergencies.



Goal: People-Oriented Neighborhoods

The Development Services Department, through the administration of adopted development-related codes and standards, ensures the building of attractive communities with sidewalks, landscape, and biking amenities.



Goal: Strong Local Businesses

The Development Services Department is actively involved in commercial project expansions and development. Development Services staff are assigned to facilitate meetings and solve potential development-related issues. Department staff facilitates ad hoc committees comprised of local business people, such as licensed contractors, homebuilders, architects, and engineers, to discuss regulations and issues affecting the industry. Additionally, staff members participate as liaisons to organizations such as the Small Business Commission, Chamber of Commerce, and Greater Tucson Economic Council (GTEC).



Goal: Successful Downtown

The department is actively involved in the Rio Nuevo Project and development of the downtown core through participation in the city's Executive Leadership Team. The department provides individualized staff resources to Rio Nuevo and downtown core projects and applicants to assist through the review process.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Administration	16.00	16.00	15.00	16.00	16.00
Customer Services	10.00	10.00	10.00	11.00	11.00
Field Inspection	35.00	35.00	35.00	35.00	35.00
Plans Review	32.00	34.00	35.00	51.00	51.00
Zoning Administration	17.00	17.00	17.00	19.00	19.00
Permanent Total	110.00	112.00	112.00	132.00	132.00
NON-PERMANENT					
Field Inspection	2.00	1.00	1.00	1.00	1.00
Non-Permanent Total	2.00	1.00	1.00	1.00	1.00
Department Total	112.00	113.00	113.00	133.00	133.00

FINANCIAL SUMMARY

Administration	\$ 1,673,382	\$ 1,907,230	\$ 1,799,750	\$ 2,251,710	\$ 2,609,370
Customer Services	437,437	432,460	432,000	464,720	507,800
Field Inspection	2,252,726	2,430,760	2,306,600	2,454,650	2,593,530
Plans Review	2,043,352	2,315,540	2,243,410	3,178,520	3,426,160
Zoning Administration	1,005,048	1,160,120	1,133,320	1,269,130	1,359,600
Department Total	\$ 7,411,945	\$ 8,246,110	\$ 7,915,080	\$ 9,618,730	\$ 10,496,460

CHARACTER OF EXPENDITURES

Personal Services	\$ 6,161,849	\$ 6,900,370	\$ 6,608,340	\$ 7,994,270	\$ 8,776,720
Services	912,371	1,087,350	1,048,350	1,006,560	1,345,040
Commodities	274,093	227,590	227,590	451,100	343,900
Equipment	63,632	30,800	30,800	166,800	30,800
Department Total	\$ 7,411,945	\$ 8,246,110	\$ 7,915,080	\$ 9,618,730	\$ 10,496,460

SOURCE OF FUNDS

General Fund: Fees and Charges	\$ 7,411,945	\$ 8,246,110	\$ 7,915,080	\$ 9,618,730	\$ 10,496,460
Department Total	\$ 7,411,945	\$ 8,246,110	\$ 7,915,080	\$ 9,618,730	\$ 10,496,460

DEVELOPMENT SERVICES

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$9,618,730 reflects an increase of \$1,372,620 from the Fiscal Year 2004 Adopted Budget. This increase will be fully funded from fees. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases. Other significant changes are as follows:

- ◆ To meet and continue to improve the quality of customer service and the efficiency of the review process, \$593,400, including 7 positions, have been added to the budget.
- ◆ Inspections of new construction will be expanded to ensure standards are met through a new Private Improvement Agreement program with a budget of \$389,970, including 7.5 positions, covered by a new fee.
- ◆ In response to the growing need to better manage stormwater basins in the community, a new Stormwater Retention Basin Management program will be created to inventory, map, and inspect private retention basins to ensure drainage compliance at a budget of \$307,760, including 5.5 positions.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$10,496,460 includes an increase of \$877,730 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases. An additional \$275,000 is required to accommodate facility service needs.

ADMINISTRATION

MISSION STATEMENT: The Administration Division provides management direction, project management, and administrative support to ensure an effective, efficient, and responsive development services center.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Coordinate and review all submitted sub-division plats and development plans.					
• Number of plats and plans reviewed	85	100	90	85	85
Process appeals to the city's building official.					
• Number of appeals processed	142	60	190	190	190
Provide community training, education, and information associated with the department's permitting and code administration processes.					
• External customer meetings attended to discuss development/code-related issues	110	N/A	120	120	120
Key Outcomes					
Provide the development community with timely and consistent review of subdivision/development plans.					
• Initial comments completed within four weeks of original submittal	90%	100%	95%	95%	95%
Provide "satisfactory" or better service to customers.					
• Percentage of "satisfactory" or above responses indicated on customer surveys	73%	98%	80%	98%	98%

RESOURCE SUMMARY

Position Resources	16.00	16.00	15.00	16.00	16.00
Financial Resources					
General Fund: Fees and Charges	\$ 1,673,382	\$ 1,907,230	\$ 1,799,750	\$ 2,251,710	\$ 2,609,370

DEVELOPMENT SERVICES

CUSTOMER SERVICES

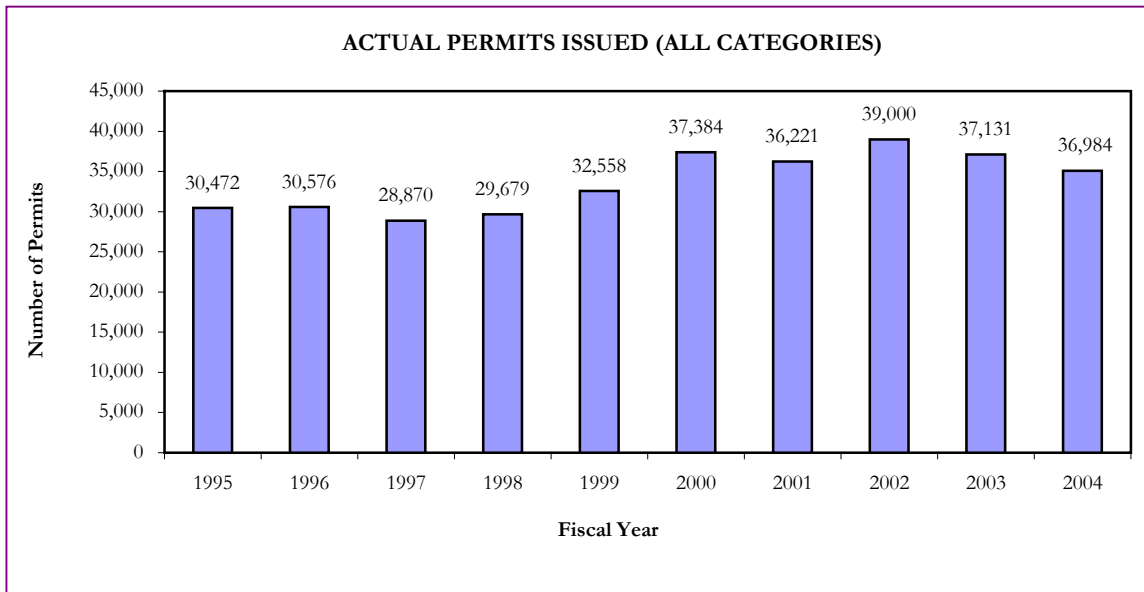
MISSION STATEMENT: The Customer Services Division provides efficient and effective customer service delivery to citizens in the areas of building permitting, records retrieval, and storage by issuing permits, recording plan review activity, maintaining records, and verifying Certificates of Occupancy.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Prepare and issue various permits.					
• Number of permits issued	37,131	37,856	36,984	37,500	37,500

RESOURCE SUMMARY

Position Resources	10.00	10.00	10.00	11.00	11.00
Financial Resources					
General Fund: Fees and Charges	\$ 437,437	\$ 432,460	\$ 432,000	\$ 464,720	\$ 507,800



FIELD INSPECTION

MISSION STATEMENT: The Field Inspection Division protects the public's health and welfare by inspecting all construction activities for compliance with approved plans as regulated by the city's building, sign, and technical codes.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Perform inspections of new construction, remodels, and additions.					
• Number of commercial inspections	59,983	60,000	60,000	60,000	60,000
• Number of residential inspections	97,577	100,000	100,000	100,000	100,000
Inspect arterial and collector streets to ensure sign code compliance.					
• Miles inspected	6,000	8,000	6,000	6,500	7,000
Investigate sign code complaints.					
• Number of sign code violations inspected	2,000	N/A	2,500	2,750	2,750
Inspect subdivisions for the release of assurances.					
• Number of inspections:					
◇ Grading	155	N/A	150	145	150
◇ Arizona Pollution Discharge Elimination System (AZPDES)	155	N/A	150	145	150
Release of subdivision lots from assurance agreements.					
• Number of lots released	780	N/A	760	740	760
Key Outcomes					
Provide timely and impartial inspections.					
• Percent of commercial inspections completed within 24 hours of customer's request	95%	98%	95%	95%	95%
• Percent of residential inspections completed within 24 hours of customer's request	95%	98%	95%	95%	95%
• Percent of subdivisions inspected and processed for assurance release within ten business days of request	N/A	N/A	95%	95%	95%

DEVELOPMENT SERVICES

Field Inspection (Continued)

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	37.00	36.00	36.00	36.00	36.00
Financial Resources					
General Fund: Fees and Charges	\$ 2,252,726	\$ 2,430,760	\$ 2,306,600	\$ 2,454,650	\$ 2,593,530

PLANS REVIEW

MISSION STATEMENT: The Plans Review Division reviews all development plans submitted for compliance with the adopted building codes.

KEY MEASURES OF PERFORMANCE

Key Outputs

Perform review for all commercial building permit applications.

- Number of applications reviewed 4,067 4,000 4,020 4,020 4,020

Perform review for all residential and model home building permit applications.

- Number of applications reviewed 11,129 10,000 10,400 10,400 10,400

Key Outcomes

Provide timely and impartial plans reviews while protecting the public health and welfare.

- Percent of commercial plan reviews completed within four weeks 87% 95% 95% 95% 95%
- Percent of residential plan reviews completed within four weeks 87% 95% 95% 95% 95%

RESOURCE SUMMARY

Position Resources	32.00	34.00	35.00	51.00	51.00
Financial Resources					
General Fund: Fees and Charges	\$ 2,043,352	\$ 2,315,540	\$ 2,243,410	\$ 3,178,520	\$ 3,426,160

ZONING ADMINISTRATION

MISSION STATEMENT: The Zoning Administration Division administers the application of ordinances and regulations relating to the development and use of land in accordance with state statutes and the Tucson Land Use Code.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Review and report on rezoning to the Zoning Examiner and Mayor and Council.					
• Number of reviews and reports	79	130	90	85	85
Review and report on special exception land use cases to the Zoning Examiner and the Mayor and Council.					
• Number reviews and reports	32	30	35	45	50
Review and report on original zoning for annexation to the Mayor and Council.					
• Number of reviews and reports	4	8	5	5	5
Respond to written requests from property owners for zoning compliance letters within five days.					
• Number of requests received	147	220	170	180	180
Process specialized use and compliance review applications.					
• Number of applications processed					
◇ Board of Adjustment (BA)	50	N/A	60	70	80
◇ Development Review Board (DRB)	27	N/A	36	46	56
◇ Historic Preservation Zone (HPZ)	82	N/A	91	101	111
◇ Project Design Option (PDO)	8	N/A	17	27	37
◇ Rio Nuevo and Downtown (RND)	11	N/A	20	30	40
◇ Temporary Use Permit (TUP)	17	N/A	26	36	46
Process liquor license applications for zoning compliance within five days.					
• Number of applications	264	380	300	340	400

DEVELOPMENT SERVICES

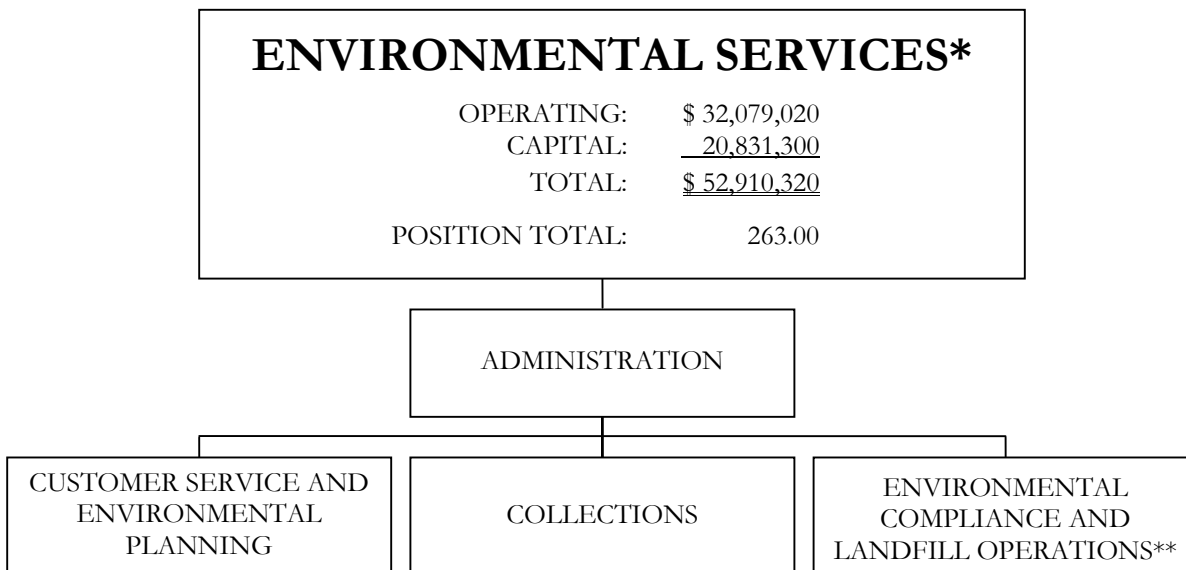
Zoning Administration (Continued)

KEY MEASURES OF PERFORMANCE

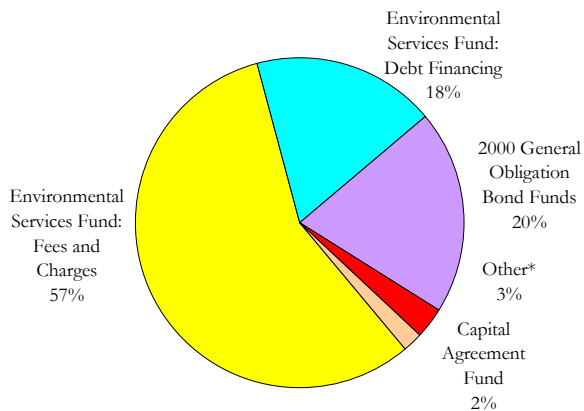
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Process lot development option applications that modify setbacks and wall heights.					
• Number of applications	211	170	220	250	280
Key Outcomes					
Resolve zoning violations through enforcement actions of the division.					
• Percent of zoning violations successfully resolved	95%	95%	95%	95%	95%
• Percent of zoning compliance letters responded to within five days	88%	80%	95%	95%	95%

RESOURCE SUMMARY

Position Resources	17.00	17.00	17.00	19.00	19.00
Financial Resources					
General Fund: Fees and Charges	\$ 1,005,048	\$ 1,160,120	\$ 1,133,320	\$ 1,269,130	\$ 1,359,600

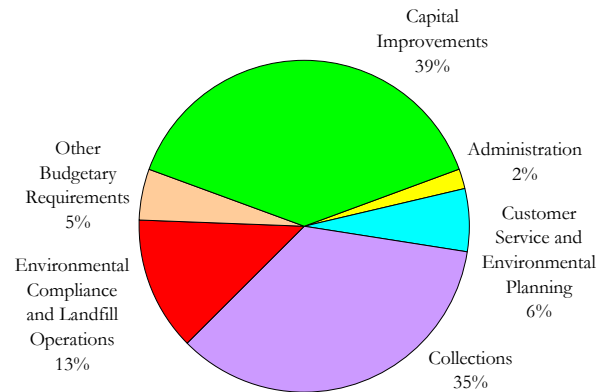


FINANCING PLAN



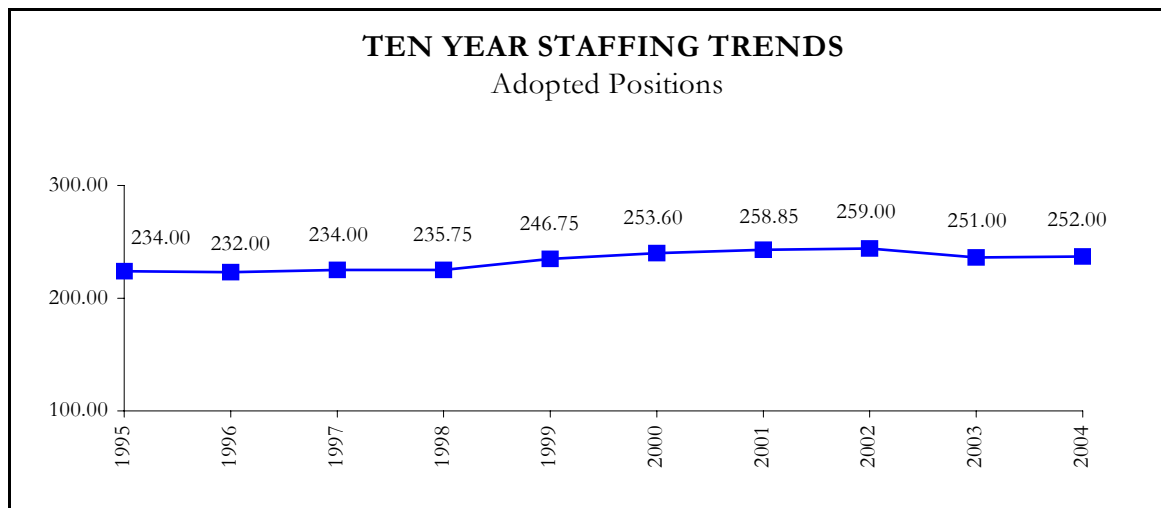
*Includes Miscellaneous Non-Federal Grants (1%), 1994 General Obligation Bond Funds (<1%), 1994 General Obligation Bond Funds - Interest (<1%), and Environmental Services Fund: Reimbursement (<1%).

PROGRAM ALLOCATION



TEN YEAR STAFFING TRENDS

Adopted Positions



*During Fiscal Year 2004 The Solid Waste Management Department was renamed Environmental Services.

**The Refuse Disposal Division was renamed Environmental Compliance and Landfill Operations in Fiscal Year 2004.

ENVIRONMENTAL SERVICES

MISSION STATEMENT: To provide a comprehensive and cost-effective solid waste management program to ensure customer satisfaction and community health safeguards by providing solid waste collection, disposal, recycling, and environmental remediation services.

OVERVIEW

Environmental Services (ES) provides code enforcement, once a week residential refuse curbside recycling and refuse collection, commercial refuse collection, seven-day per week landfill operations, and twice a year brush and bulky collections. The department provides personnel, equipment, supplies, and contract services to deliver an overall package of high quality and cost-effective waste handling services to the community. Providing community education is a vital component in carrying out these programs.

The four divisions of the Environmental Services Department are Administration, Customer Service and Environmental Planning, Collections, and Environmental Compliance and Landfill Operations. With 263 staff members, the department serves approximately 141,500 residential and 3,360 commercial customers.

DEPARTMENT HIGHLIGHTS

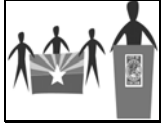
ES has operated the Tucson Recycles program since the beginning of July 2002. The use of blue barrels for recycling materials will significantly increase recycling diversion because all accepted materials are now commingled in a single blue barrel. The city has moved from a 9% residential diversion rate with the former bi-weekly program to an average of 22% diversion with the blue barrel program.

ES collections will expand the Orphan Waste List (OWL) program in Fiscal Year 2005 to include all neighborhoods. During a three month trial period in the current year, ES cleaned up over 900 illegal dumping sites under a program initiated in cooperation with Ward 3 using a portion of the Clean Tucson fees, partially contributing to a 30% increase in total tons picked up. In Fiscal Year 2005, this program will operate as a companion to ES and the Tucson Department of Transportation Streets Division's neighborhood wash and alley clean ups, further increasing efficiencies and services.

The Collections Division continues to address the rapid growth of households and population within the city through the use of more efficient routes and scheduling. The department's commercial services have continued to increase revenues by about of \$10,000 per month over the past year.

At the Los Reales Landfill, the second lined cell went into use in September 2002. These disposal areas use an advanced synthetic liner designed to increase protection of the environment. Funding for the construction of a third cell, to begin by 2006, needs to be identified. Projects are planned to ensure the Los Reales Landfill will last 60 additional years.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Engaged Community and Responsive Government

Environmental Services encourages community involvement and participation in its landfill and remediation projects. Environmental Services staff serve on the Governor's State Superfund Board, community advisory boards, and committees for capital projects such as the Broadway-Pantano Remediation Site, Price Service Center, and the Rio Nuevo Project. Environmental Services seeks out opportunities to address neighborhood leaders and associations, and successfully brings community interests into the process for assessing remediation alternatives.



Goal: Excellent Public Education

Environmental Services promotes environmental awareness to school age youth through programs that engage children. These activities include Kids News, Re-Used Materials Becoming Art (RUMBA), community participation events, presentations at schools, and Parks and Recreation Department after-school programs. Environmental Services partners with Tucson Clean and Beautiful and the Environmental Education Exchange to present performances at schools regarding Tucson Recycles. ES also partners with the University of Arizona, Pima Community College, Arizona Hydrological Society, and Southern Arizona Environmental Managers to provide technical internships in the areas of hydrology, engineering, geology, and environmental science.



Goal: Infill and Reinvestment, Not Urban Sprawl

Environmental Services' Brownfields Program encourages the redevelopment of underutilized industrial and commercial sites within the city limits. Potential environmental concerns are assessed while business owners and landowners are assisted in obtaining federal incentives for clean up of these sites.



Goal: Abundant Urban Green Space and Recreation Areas

The department has several projects, either planned or underway, to safely manage the closure and beneficial use of closed landfills. Current projects include the alternative cover system design and construction for the Vincent Mullins Landfill and the final planning for a multipurpose park at the Irvington Landfill.

The department completed a pilot project to degrade and stabilize closed landfill waste materials into compost that is 100 times faster than under normal conditions. Additionally, closed landfill sites are currently being designed and permitted to expand the degradation project using ambient air. The city plans to create a historic and cultural park in the area known as Rio Nuevo.



Goal: Clean Air and Quality Water

The department meets federal, state, and local environmental regulations in the development and operation of city landfills. All current and future disposal areas at the Los Reales Landfill will use underground synthetic liners to protect groundwater for future generations. Additionally, proper management of landfill gas ensures protection of the earth's ozone layer.

Implementation of a new computer routing system will enable more efficient routing of garbage trucks, resulting in fewer miles driven and reduced vehicle emissions. The department acquired its first alternative fuel garbage truck and will be assessing its viability in the upcoming year. If funds are available, more alternative vehicles will be added to the fleet.

Support for Livable Tucson Goals (Continued)

Goal: Clean Air and Quality Water (Continued)

Environmental Services (ES) monitors water quality at approximately 220 groundwater wells and other city facilities to ensure compliance with local, state, and federal regulations. ES manages investigation and remediation projects at city sites where contamination may exist. Partnerships with Arizona Department of Environmental Quality, Pima County Department of Environmental Quality, and other government agencies promote protective initiatives such as federal and state superfund programs, wastewater programs, and air quality programs. ES performs environmental site assessments for all city real property acquisitions and Brownfields sites that are considered to have either real or perceived environmental contamination. Environmental Services uses a Web-based electronic system to assist city departments with environmental compliance, permitting, and reporting requirements.



Goal: People-Oriented Neighborhoods

The department provides support to an increasing number of neighborhood improvement projects and special events. Environmental Services incorporates its existing residential neighborhood brush and bulky cleanups (already provided twice a year to all neighborhoods within the city) into neighborhood cleanups that are coordinated and sponsored by the Department of Neighborhood Resources.



Goal: Respected Historic and Cultural Resources

Environmental Services is working to reclaim closed landfills in the downtown area to allow for development of the Rio Nuevo Project. Innovative restoration techniques will be used to allow archaeologists to reconstruct historical sites such as the Mission San Augustin.



Goal: Strong Local Businesses

The department continues to assist both small and large local businesses by providing integrated and comprehensive solid waste and recycling services. These activities assist businesses to operate in a profitable manner. The department maintains a competitive rate structure for commercial solid waste collection within the city to allow for fair and reasonable prices for the services provided.



Goal: Efficient Use of Natural Resources

In partnership with local business and utility companies, Environmental Services has developed a project to convert methane, a naturally produced landfill gas, into electricity to power 4,000 households. This project reduces the level of methane gas at the Los Reales Landfill and provides an economical energy source for the community. This system became operational in March 1999 and its contribution to the environment continues today. Similar projects are being explored at two closed landfills.

The department's waste reduction and recycling programs diverted 46,543 tons of waste from the city's landfill during Fiscal Year 2004. Over 80% of all eligible households participate in the city's curbside recycling program. These efforts not only extend the life of the Los Reales Landfill, but also conserve natural resources, reduce greenhouse gases, and help protect groundwater for future generations.

ENVIRONMENTAL SERVICES**DEPARTMENT RESOURCES**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Administration	11.00	11.00	13.00	13.00	13.00
Customer Service and Environmental Planning	26.00	28.00	29.00	33.00	33.00
Collections	156.00	156.00	155.00	159.00	159.00
Environmental Compliance and Landfill Operations	57.00	57.00	54.00	58.00	58.00
Department Total	250.00	252.00	251.00	263.00	263.00

FINANCIAL SUMMARY

Administration	\$ 1,149,456	\$ 1,062,470	\$ 1,010,930	\$ 1,213,870	\$ 1,277,520
Customer Service and Environmental Planning	2,942,437	2,708,580	2,187,840	3,129,270	3,204,560
Collections	20,506,749	15,911,360	15,982,260	18,282,800	18,769,390
Environmental Compliance and Landfill Operations	7,266,964	7,363,780	6,771,470	7,098,570	7,576,870
Other Budgetary Requirements	487,019	337,440	337,440	2,354,510	5,038,130
Operating Total	32,352,625	27,383,630	26,289,940	32,079,020	35,866,470
Capital Improvements	6,596,912	20,564,100	7,290,710	20,831,300	5,679,000
Department Total	\$ 38,949,537	\$ 47,947,730	\$ 33,580,650	\$ 52,910,320	\$ 41,545,470

CHARACTER OF EXPENDITURES

Personal Services	\$ 13,757,541	\$ 13,850,690	\$ 13,028,500	\$ 14,886,090	\$ 15,944,290
Services	12,801,082	12,071,120	11,839,620	12,882,720	13,678,140
Commodities	2,897,161	1,873,220	2,243,220	3,704,590	3,624,220
Equipment	3,515,045	14,000	14,000	350,600	189,000
Debt Service	487,019	337,440	337,440	3,009,510	3,538,130
Other	-0-	(11,122,210)	(10,572,460)	(11,122,210)	(11,122,210)
Inter-Activity Transfers	(1,105,223)	10,359,370	9,399,620	8,367,720	10,014,900
Operating Total	32,352,625	27,383,630	26,289,940	32,079,020	35,866,470
Capital Improvements	6,596,912	20,564,100	7,290,710	20,831,300	5,679,000
Department Total	\$ 38,949,537	\$ 47,947,730	\$ 33,580,650	\$ 52,910,320	\$ 41,545,470

ENVIRONMENTAL SERVICES

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
SOURCE OF FUNDS					
OPERATING FUNDS					
Miscellaneous Federal Grants	\$ 41,621	\$ -0-	\$ 8,500	\$ -0-	\$ -0-
Miscellaneous Non-Federal Grants	-0-	410,000	-0-	410,000	410,000
Environmental Services Fund: General Fund Contribution	17,728,367	12,643,530	12,138,200	-0-	-0-
Environmental Services Fund: Fees and Charges	10,299,820	14,010,100	13,963,240	30,299,070	34,199,730
Environmental Services Fund: Mandate Reserves	4,223,000	-0-	-0-	-0-	-0-
Environmental Services Fund: Debt Financing	-0-	-0-	-0-	1,040,350	917,250
Environmental Services Fund: Reimbursement	59,817	320,000	180,000	329,600	339,490
Operating Funds Total	\$ 32,352,625	\$ 27,383,630	\$ 26,289,940	\$ 32,079,020	\$ 35,866,470
CAPITAL FUNDS					
General Fund: Mandate Reserves	\$ 1,161,784	\$ 9,376,700	\$ 3,739,000	\$ -0-	\$ -0-
Capital Agreement Fund	1,571,954	1,821,200	721,200	1,100,000	450,000
Capital Agreement Fund: Pima County Contribution	-0-	43,700	43,700	-0-	-0-
Environmental Services Fund: Debt Financing	-0-	-0-	-0-	8,693,300	2,396,000
2000 General Obligation Bond Funds	2,673,738	8,665,900	1,629,280	10,539,200	2,734,000
1994 General Obligation Bond Funds	1,050,445	618,500	1,090,410	466,700	99,000
1994 General Obligation Bond Funds - Interest	138,991	38,100	67,120	32,100	-0-
Capital Funds Total	\$ 6,596,912	\$ 20,564,100	\$ 7,290,710	\$ 20,831,300	\$ 5,679,000
Department Total	\$ 38,949,537	\$ 47,947,730	\$ 33,580,650	\$ 52,910,320	\$ 41,545,470

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$32,079,020 reflects an increase of \$4,695,390 from the Fiscal Year 2004 Adopted Budget. This budget reflects a transition to an enterprise fund with budget increases to improve services. Because the new residential refuse fee will not be implemented until August 1, 2004, \$1,655,000 will be charged to the General Fund for the lost revenue. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance and pension increases. Significant changes are as follows:

- ◆ Increased mileage, cost of fuel, and an aging fleet result in a \$2,080,290 increase in costs to service and operate refuse trucks and other equipment.
- ◆ To provide customers with replacements for worn out or broken refuse containers, an increase of \$789,950 is required.
- ◆ Increased efforts to protect groundwater at landfills require an investment of \$545,600 and three positions.
- ◆ Net transfers and costs allocations will increase the budget \$367,740.
- ◆ Growing demand for residential services requires the addition of two new routes at a cost of \$320,360 and two positions.
- ◆ Customer service will be improved with the addition of four positions at a cost of \$230,320.
- ◆ The Clean Community Program will be expanded with the addition of \$227,190 including two positions.

The Fiscal Year 2005 Capital Budget of \$20,831,300 funds implementation of voter approved bond projects.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$35,866,470 includes an increase of \$3,787,450 from Fiscal Year 2005. The \$1,655,000 charged to the General Fund in Fiscal Year 2005 will not be required in Fiscal Year 2006. Debt service or capital financing will increase \$528,620. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance and pension increases.

The Fiscal Year 2006 Capital Budget of \$5,679,000 substantially completes voter approved bond programs.

ADMINISTRATION

MISSION STATEMENT: The Administration Division provides management direction for the delivery of solid waste services, operation of a commercial refuse billing system, control and monitoring of capital improvement projects, budget and fiscal management, public education, and employee training and safety.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Maintain department personnel over-time at no more than 5% of salaries.	5%	5%	5%	5%	4%
Provide facilities for citizens to drop off hazardous waste products that will protect the environment.					
• Number of citizens using drop-off facilities	29,000	30,500	6,900	7,000	7,200
Key Outcomes					
Promote a safe and clean environment by resolving all reported code violations.					
• Percent resolved within sixty days	90%	90%	75%	98%	98%

RESOURCE SUMMARY

Position Resources	11.00	11.00	13.00	13.00	13.00
Financial Resources					
Environmental Services Fund:	\$ 1,149,456	\$ 1,062,470	\$ 1,010,930	\$ -0-	\$ -0-
General Fund Contribution					
Environmental Services Fund: Fees and Charges	-0-	-0-	-0-	1,213,870	1,277,520
Financial Resources Total	<u>\$ 1,149,456</u>	<u>\$ 1,062,470</u>	<u>\$ 1,010,930</u>	<u>\$ 1,213,870</u>	<u>\$ 1,277,520</u>

ENVIRONMENTAL SERVICES

CUSTOMER SERVICE AND ENVIRONMENTAL PLANNING

MISSION STATEMENT: The Customer Service and Environmental Planning Division promotes waste reduction programs, ensures a safe environment, enhances neighborhoods, provides excellent customer service, and educates the community about Environmental Services' programs.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide recycling and waste reduction education and outreach information to citizens.					
• Information brochures distributed	300,000	400,000	8,000*	8,500	8,750
• K through 12 student participants	8,000	8,000	9,000	9,300	9,600
• Event and program contacts (including TreeCycle, and Beat the Heap)	60,000	60,000	25,000**	25,000	25,000
Respond to customer telephone calls.					
• Number of calls received	120,000	120,000	126,500	132,000	128,000
Conduct property inspections of code violations (weedy lots, illegal storage, abandoned vehicles, illegal refuse, and hazardous waste disposal).					
• Number of violation inspections	36,500	38,000	43,000	52,000	58,000
Key Outcomes					
Enhance customer accessibility to the department by monitoring the telephone hang-up rate and adjusting the phone system to ensure quality customer service.					
• Percent of customers hanging up	12.37%	9.00%	8.00%	7.00%	6.00%
Conserve natural resources and protect the environment by diverting waste from Los Reales Landfill.					
• Tons recycled	25,000	44,400	44,400	47,000	48,500
Promote a safe and clean environment by resolving all reported code violations.					
• Percent resolved within 60 days	90%	90%	75%	98%	98%
• Number of Notices of Violation issued	6,500	7,000	7,500	10,000	13,000
• Number of citations issued	450	450	550	1,000	2,500

*Due to budget cuts, the Diversion newsletter is no longer distributed to residential customers.

**Reduced due to loss of public information specialist position and completed implementation of Tucson Recycles.

Customer Service and Environmental Planning (Continued)

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	26.00	28.00	29.00	33.00	33.00
Financial Resources					
Environmental Services Fund:	\$ 2,938,039	\$ 2,298,580	\$ 2,179,340	\$ -0-	\$ -0-
General Fund Contribution					
Environmental Services Fund: Fees and Charges	-0-	-0-	-0-	2,719,270	2,794,560
Miscellaneous Federal Grants	4,398	-0-	8,500	-0-	-0-
Miscellaneous Non-Federal Grants	-0-	410,000	-0-	410,000	410,000
Financial Resources Total	<u>\$ 2,942,437</u>	<u>\$ 2,708,580</u>	<u>\$ 2,187,840</u>	<u>\$ 3,129,270</u>	<u>\$ 3,204,560</u>

COLLECTIONS

MISSION STATEMENT: The Collections Division provides effective residential and commercial collection of solid waste and recyclables at a minimum per-unit cost while preserving community health and welfare.

KEY MEASURES OF PERFORMANCE

Key Outputs

Maintain commercial stops.

• Number of active stops	3,360	3,450	3,450	3,537	3,629
• Amount of total revenue collected (\$000s)	\$ 5,413	\$ 5,330	\$ 5,760	\$ 7,950	\$ 8,650

Collect solid waste material and
recyclables.

• Number of commercial tons collected	101,252	118,000	103,000	105,000	107,000
• Number of residential tons collected	175,790	200,000	180,000	182,000	186,000

Collect heavy brush and bulky items
through the Brush and Bulky Program.

• Number of stops per week	1,200	2,400	2,000	2,150	2,300
• Total tons collected	8,917	12,500	13,600	14,100	14,700

Hold occurrence of missed stops to less
than 20 of the 46,000 residential stops
completed each day.

• Total number of missed stops per day	20	20	20	20	20
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ENVIRONMENTAL SERVICES

Collections (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outcomes					
Ensure that cost-efficient commercial and residential solid waste service is available to the community.					
• Residential collection cost per ton	\$ 47	\$ 54	\$ 63	\$ 65	\$ 67
• Collection cost per household per month (O&M only)	\$ 5.97	\$ 5.21	\$ 5.55	\$ 5.68	\$ 5.89
• Brush and bulky cost per ton	\$ 215	\$ 137	\$ 180	\$ 185	\$ 190
• Commercial increase in sales	N/A	N/A	3%	5%	7%

RESOURCE SUMMARY

Position Resources	156.00	156.00	155.00	159.00	159.00
Financial Resources					
Environmental Services Fund: Debt Financing	\$ -0-	\$ -0-	\$ -0-	\$ 1,040,350	\$ 917,250
Environmental Services Fund: General Fund Contribution	10,588,845	6,713,440	6,923,940	-0-	-0-
Environmental Services Fund: Fees and Charges	5,694,904	9,197,920	9,058,320	17,242,450	17,852,140
Environmental Services Fund: Mandate Reserves	4,223,000	-0-	-0-	-0-	-0-
Financial Resources Total	<u>\$ 20,506,749</u>	<u>\$ 15,911,360</u>	<u>\$ 15,982,260</u>	<u>\$ 18,282,800</u>	<u>\$ 18,769,390</u>

ENVIRONMENTAL COMPLIANCE AND LANDFILL OPERATIONS

MISSION STATEMENT: The Environmental Compliance and Landfill Operations Division plans, constructs, and operates city landfills, and conducts environmental monitoring, for the protection of health and the environment, in compliance with regulatory requirements.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Inspect incoming refuse loads for hazardous wastes (U.S. Environmental Protection Agency's guideline is to inspect 1% of total loads).					
• Number of inspections	4,936	6,000	5,000	5,050	5,100
• Percent of total loads inspected	4.8%	5.5%	5.0%	5.0%	5.0%
Conduct methane gas measurements at various active and closed landfills to meet health and safety, and state regulatory standards.					
• Number of measurements	8,000	15,000	3,000	3,000	3,000
• Percent meeting standards	100%	100%	100%	100%	100%
Provide safe and environmentally secure disposal of refuse.					
• Tons of refuse collected by department	277,000	366,000	280,000	283,000	286,000
• Tons of refuse collected by private commercial haulers	157,000	174,000	210,000	212,000	214,000
• Number of self-hauled loads (not tons)	134,000	142,000	135,000	136,000	137,000
Evaluate city facilities to improve environmental compliance and pollution prevention measures.					
• Facilities inspected	163	160	175	190	200
Monitor groundwater and landfill gas at city landfills to ensure compliance with regulatory standards.					
• Monitoring events per year	712	680	808	820	830
Complete environmental site assessments as requested by city departments.					
• Research assessments	8	30	30	30	30
• Sampling assessments	10	22	11	35	10
• Cleanup assessments	-0-	5	5	15	5

ENVIRONMENTAL SERVICES

Environmental Compliance and Landfill Operations (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outcomes					
Promote a cleaner environment by ensuring compliance with all regulatory guidelines that affect city solid waste facilities.					
• Number of regulatory inspections by state agencies	2	4	3	3	3
• Percent of inspections passed with no violations	100%	100%	100%	100%	100%
Utilize an electronic compliance system to ensure local permit conditions are met.					
• Percent of programs in compliance	100%	100%	100%	100%	100%
Promote a safe and clean environment by removing contaminants from the soil and groundwater.					
• Pounds of perchloroethylene (PCE) removed	200	450	12	12	12

RESOURCE SUMMARY

Position Resources	57.00	57.00	54.00	58.00	58.00
Financial Resources					
Environmental Services Fund:	\$ 2,565,008	\$ 2,231,600	\$ 1,686,550	\$ -0-	\$ -0-
General Fund Contribution					
Environmental Services Fund: Fees and Charges	4,604,916	4,812,180	4,904,920	6,768,970	7,237,380
Environmental Services Fund: Reimbursement	59,817	320,000	180,000	329,600	339,490
Miscellaneous Federal Grants	37,223	-0-	-0-	-0-	-0-
Financial Resources Total	<u>\$ 7,266,964</u>	<u>\$ 7,363,780</u>	<u>\$ 6,771,470</u>	<u>\$ 7,098,570</u>	<u>\$ 7,576,870</u>

OTHER BUDGETARY REQUIREMENTS

Other Budgetary Requirements is an organization that provides budget capacity for various expenses not associated with specific programs within Environmental Services, including General Expense, Administrative Service Charges, Debt Service: Bonds, and Certificates of Participation funds.

DESCRIPTION

Other Budgetary Requirements includes the following expenses:

Administrative Service Charges

Administrative support charges from other city departments (Procurement, Information Technology, Budget and Research, etc.).

Debt Service: Bonds

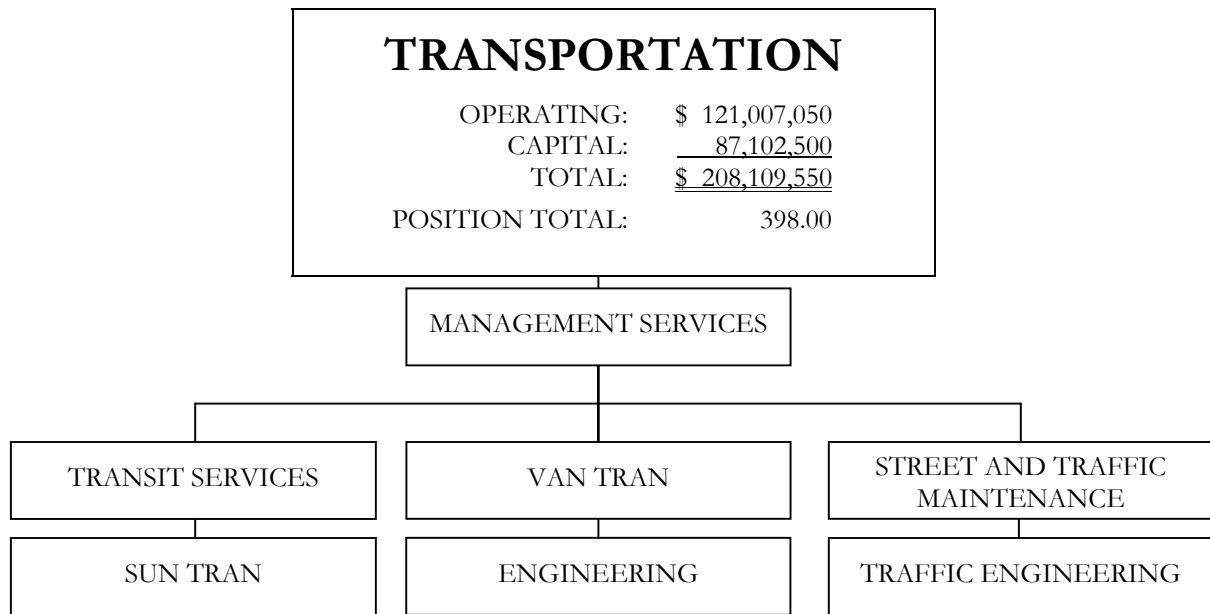
The principal, interest, and fiscal agent fees on the bonded debt.

Certificates of Participation (COPs)

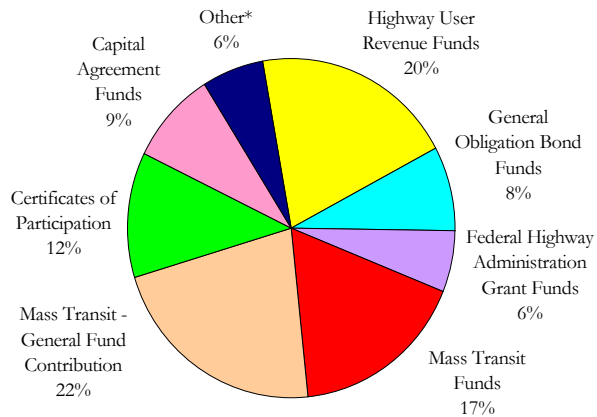
The principal, interest, and fiscal agent fees on Certificates of Participation funds.

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Financial Resources					
Environmental Services Fund: General Fund Contribution	\$ 487,019	\$ 337,440	\$ 337,440	\$ -0-	\$ -0-
Environmental Services Fund: Fees and Charges	-0-	-0-	-0-	2,354,510	5,038,130
Financial Resources Total	<u>\$ 487,019</u>	<u>\$ 337,440</u>	<u>\$ 337,440</u>	<u>\$ 2,354,510</u>	<u>\$ 5,038,130</u>

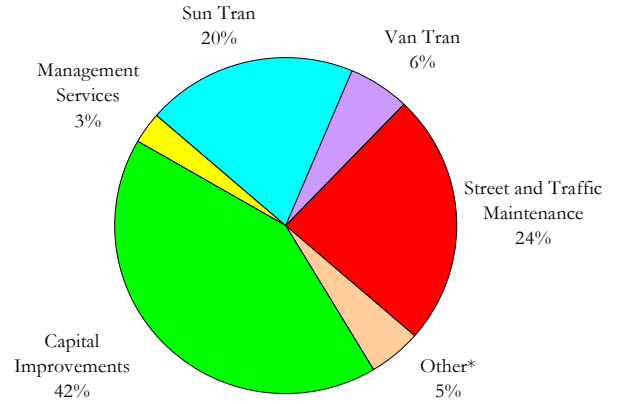


FINANCING PLAN

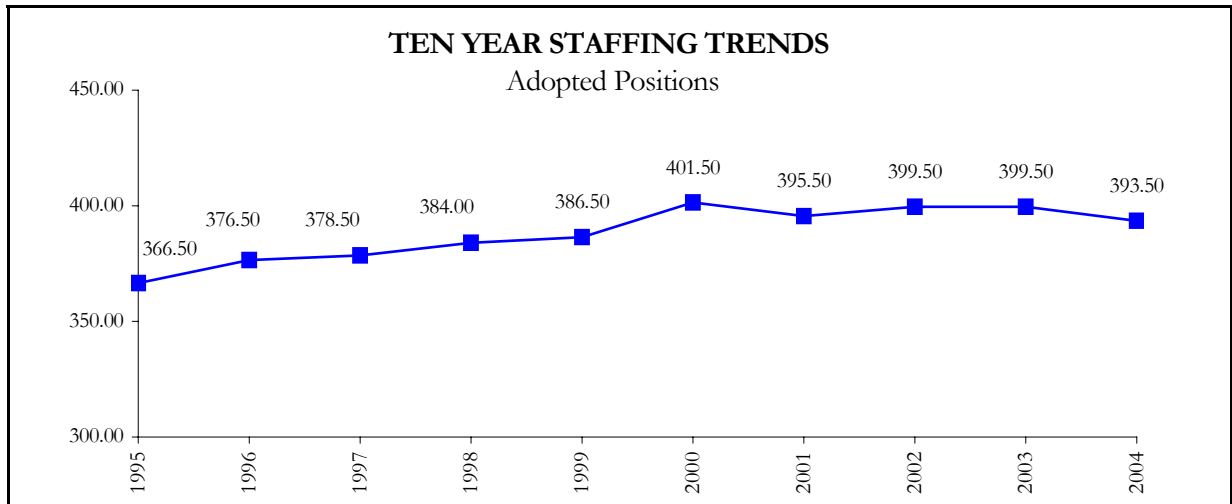


*Includes General Fund (2%), Street and Highway Revenue Bonds (2%), Transportation Enterprise Area Management (TEAM) ParkWise Fund (1%), Highway User Revenue Funds - Certificates of Participation (<1%), and Miscellaneous Non-Federal Grants (<1%).

PROGRAM ALLOCATION



*Includes Traffic Engineering (3%), Engineering (2%), and Transit Services (<1%).



TRANSPORTATION

MISSION STATEMENT: To create, maintain, and operate a safe and reliable system for the movement of people throughout our community with the highest quality transportation services, programs, and facilities.

OVERVIEW

The Department of Transportation (DOT) is responsible for a transportation system covering approximately 226 square miles, including over 2,000 miles of streets, bike routes, sidewalks, and alleyways. DOT is committed to providing accessible public transit via Sun Tran and Van Tran, which offer the community quality transportation alternatives; maintains a street, alley, and drainageway program for a clean, safe, and healthful environment; designs and constructs major system improvements.

DOT is committed to improving traffic safety; maintaining high standards of reliability in existing transportation systems; and working with neighborhoods to upgrade streets, sidewalks, medians, and parks to promote safety, improve quality of life, and preserve the unique character of Tucson.

The five divisions of the Department of Transportation are Management Services, Transit Services (including Sun Tran and Van Tran), Engineering, Street and Traffic Maintenance, and Traffic Engineering.

DEPARTMENT HIGHLIGHTS

DOT continues to work cooperatively with other city departments and local business to foster the revitalization of the downtown business district. The implementation of the downtown circulator shuttle, Tucson Inner City Express Transit (TICET), is a positive step in the ongoing process.

Transit funding obtained from the federal government will enable the department to further upgrade the fleets of Sun Tran and Van Tran, which provide fixed-route and paratransit service within the community, in an effort to reduce congestion and promote the use of alternate modes of transportation.

The replacement of the aging Sun Tran bus fleet remains a priority as buses over twelve years old or with over 500,000 miles are replaced with Federal Transit Administration support. The new buses are equipped with wheelchair lifts, improving access to the transit system for people with disabilities, and with bicycle racks to promote multi-modal transportation.

DOT continues to invest in street overlay and seal coating to provide smoother roads for safe travel and to extend the life of heavily traveled pavement. These reconstruction projects will improve safety, reduce damage to private vehicles, and improve noise quality.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Better Alternatives to Automobile Transportation

DOT designs, builds, and administers programs that promote the use of mass transit, bicycles, and walking as alternative modes of transportation for commuting, recreational, and leisure activities. A paratransit service is offered providing much needed mobility and reducing the need for private transportation for those citizens eligible under the Americans with Disabilities Act. Fixed-route service, which provided about 14.5 million rides in the last fiscal year, is provided to the community by Sun Tran, transporting riders to employment sites, shopping centers, medical complexes, social services, and recreational areas.

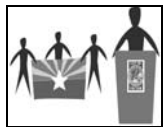
Support for Livable Tucson Goals (Continued)

Goal: Better Alternatives to Automobile Transportation (Continued)

Sun Tran develops strategic partnerships that encourage use of alternative transportation. The *U-Pass* program was designed to encourage university students to use Sun Tran. The University of Arizona subsidizes passes for approximately 3,000 students and faculty each year. Sun Tran's *Get On Board* program partners with nearly 70 area businesses to provide alternative transportation through employer subsidies.

DOT constructs sidewalks and pedestrian-crossing devices, sidewalk landscaping, bicycle paths, and bus shelters. Several special signals designed to facilitate roadway crossings for pedestrians and bicyclists have been installed and more are planned in the future.

In cooperation with Pima Association of Governments, Pima County, and the Arizona Department of Transportation, DOT has developed and implemented a regional *Intelligent Transportation System* to manage and maximize existing transportation resources, pedestrian and bicycle programs, and transit operations. The ParkWise Program has implemented a downtown circulator shuttle, TICET, and provides City of Tucson employees with bike lockers and encourages mass transit and pedestrian travel. University Area Travel Reduction Programs have been implemented to reduce vehicular traffic around the University of Arizona. The Neighborhood Traffic Management Program works with neighborhoods to resolve traffic problems and promote alternate modes of transportation within neighborhoods.



Goal: Engaged Community and Responsive Government

DOT is actively involved in community outreach, initiating public meetings concerning transportation issues, public art in transportation public facilities, and participating in joint public meetings and open houses with other agencies. DOT participates regularly in citizen advisory meetings, such as the Citizens Transportation Advisory Committee and the Tucson-Pima County Bicycle Advisory Committee, the Tucson Commission on Disability Issues, and the Transportation Enterprise Area Management Commission. DOT supports the University of Arizona Career Night, job fairs, public outreach programs, and neighborhood meetings through the Speakers Bureau.



Goal: Safe Neighborhoods

DOT solicits comments from the public on all capital projects to ensure that “safe by design” concepts are integrated into design and construction. Lighting projects, sidewalks, intersection improvements, and dual turn lanes promote safety for neighborhoods. The maintenance of pedestrian crosswalk striping and safety signals provides safe travel for school children and residents. A cleaner and safer environment is promoted through stormwater quality and water harvesting, and the maintenance of debris-free city-owned lots throughout the community.

The residential street lighting program brings neighbors together to map out plans that manage neighborhood traffic and promote safety for pedestrians, cyclists, and drivers. DOT is responsible for the relamping of approximately 15,852 residential streetlights to ensure the lights are functioning properly. Neighborhood traffic calming, parking plans and floodplain education programs all work to ensure that the integrity of neighborhoods is preserved.

The Neighborhood Traffic Management Program is designed to protect the quality of life in Tucson neighborhoods through the management and control of traffic in neighborhoods. Techniques such as speed humps, traffic circles, and traffic diverters are used to minimize unwanted traffic and discourage excessive speeds on neighborhood streets, making them safer. The ParkWise Program has residential parking programs in over 20 different neighborhoods, with approximately 5,500 permit holders. These programs significantly reduce the amount of non-resident traffic, which helps to promote neighborhood safety. In addition, traffic enforcement agents routinely patrol these neighborhoods for parking violations and issue citations for non-compliance.

Support for Livable Tucson Goals (Continued)

**Goal: Infill and Reinvestment, Not Urban Sprawl**

Through an efficient traffic circulation system, DOT provides better access to urban centers, promoting livable neighborhoods and successful businesses. The Neighborhood Traffic Management Program helps the City of Tucson improve and stabilize the quality of life in the residential areas impacted by traffic congestion.

The Stormwater Section is working in coordination with various committees, city departments, and participating city neighborhoods on the preservation of various naturally vegetated watercourses, and revegetation of those areas that have been disturbed or altered by construction, flooding, or other causes.

The many ParkWise programs are especially designed to support business needs in the city center while also protecting/enhancing the quality of life in neighborhoods, thereby encouraging downtown living.

**Goal: Abundant Urban Green Space and Recreation Areas**

DOT is working to increase recreation areas and include public art. The number of bicycle and pedestrian pathways is increasing. DOT is working with the Parks and Recreation Department and neighborhoods to incorporate recreational uses into flood control basin development and beautify median islands, traffic circles, and bus pullouts in neighborhoods.

The Tucson Stormwater Management Study (TSMS), the Watercourse Amenities Safety and Habitat (WASH) Ordinance, Interim Watercourse Improvement Policy, and floodplain ordinances recommend preserving naturally-vegetated watercourses based on the value of riparian habitat, thereby providing open space and green belts throughout the city.

The Neighborhood Traffic Management Program promotes the establishment of additional green space in neighborhoods through landscaped traffic circles, medians, and bus pullouts.

**Goal: Protected Natural Desert Environment**

Watercourse preservation, including protection of naturally occurring vegetation and wildlife habitat, and revegetation of disturbed watercourses are primary goals of the Tucson Stormwater Management Study (TSMS) Master Plan adopted by Mayor and Council in February 1996. Rainwater harvesting to reduce the discharge of stormwater and potential pollutants to the desert environment is also promoted through the TSMS process.

DOT provides aerial photos to promote the enforcement of the Native Plant Preservation Ordinance. Protection of the environment is always a consideration in the procurement of properties.

**Goal: Clean Air and Quality Water**

DOT contributes to cleaner air by providing mass transit services, constructing bus shelters to encourage ridership, operating its buses with compressed natural gas, and increasing the number of bicycle and pedestrian pathways. The construction of roadway and intersection improvements such as dust control paving, intersection widening, and pavement reconstruction helps to alleviate traffic congestion. Landscaping is required on all new projects. Also, reduction of the heat island is achieved through the open space provision. Water harvesting is encouraged on all new projects.

Support for Livable Tucson Goals (Continued)

Goal: Clean Air and Quality Water (Continued)

By working with the community and local governmental agencies, the Stormwater Quality program's public education and regulation enforcement help to monitor and maintain the quality of the stormwater runoff. The Stormwater Quality section works to eliminate non-stormwater discharges that are potential sources of pollution to the city's storm drain system and washes and inspects industrial facilities and construction sites to ensure that they are complying with federal regulations to eliminate pollutants in stormwater runoff.

Regional traffic signal synchronization, as part of the Intelligent Transportation System, is a key element in reducing traffic stops and delays. The improved traffic flow creates an operational improvement of air quality in the Tucson area. The TICET shuttle provides an alternative to automobile travel in the downtown that helps to reduce the overall congestion and improves air quality.

The transition of the Sun Tran fleet to environmentally-efficient vehicles continues. Sun Tran has added 45 new compressed natural gas (CNG) buses to its fleet that offer the newest technology in the industry. Approximately 68% of the fleet now operates on alternate fuels such as CNG and dual fuel technology. Sun Tran further promotes environmentally-friendly transit as bike racks have been installed on all of its fleet.



Goal: People Oriented Neighborhoods

A primary goal of DOT is to reduce the number of single occupant automobile trips, thereby reducing traffic congestion and improving air quality. Traffic flow in neighborhoods is reduced by mass transit. The paratransit service provides "grocery sweeps" in which we transport people to grocery stores who would otherwise either be unable to go to the market, or who would use a single-family vehicle. This results in improved quality of life for Tucson citizens. DOT also designs and builds neighborhood projects that promote walking, recreational, and leisure activities. Back to Basics projects include the construction of sidewalks, street lighting, pedestrian-crossing devices, public art, linear parks, and the enhancement of sidewalk landscaping.

The Neighborhood Traffic Management Program (NTMP) protects the environment and quality of life in Tucson neighborhoods through the management and control of traffic on neighborhood streets. The ParkWise program works closely with neighborhood groups to help minimize parking and traffic disturbances in neighborhoods.

Neighborhood meetings with the Transportation Enterprise Area Management (TEAM) Commission have helped to implement parking solutions in the development phase of projects such as the Santa Rosa Neighborhood revitalization and the Stone/Sixth Avenue Two-Way Traffic conversion, which assist the business sector while minimizing the traffic impact on the neighborhood.



Goal: Respected Historic and Cultural Resources

Through the Downtown Intermodal Center Master Plan, DOT continues its involvement with the preservation of a key feature of Tucson's past. The renovation of the Union Pacific Depot, together with the relocation of historic locomotive #1673 and the restoration of the Fourth Avenue underpass, will serve to anchor the east end of the downtown area in this revitalization effort. The extension of the Old Pueblo Trolley into the downtown area as an element of the Barraza-Aviation Parkway marks the beginning of the re-creation of historic electric trolley service that was terminated nearly 50 years ago.

Support for Livable Tucson Goals (Continued)

Goal: Respected Historic and Cultural Resources (Continued)

DOT contracts with the Tucson-Pima Arts Council to include public art in roadway project design. DOT is also participating with the Department of Urban Planning and Design to identify land that could be designated as open space.



Goal: Reduced Poverty and Greater Equality of Opportunity

DOT collaborates with the Beacon Foundation to employ mentally-challenged individuals in maintenance positions. This includes weed control and litter removal in right of ways.

Many Sun Tran and Van Tran passengers are low income citizens who have no other transportation alternatives, and the trips provided give these citizens greater mobility and equality of opportunity for their transportation needs. In the past year, Sun Tran sold approximately 92,000 economy passes to low-income individuals. Another 137,000 reduced-fare passes were sold to non-profit organizations, enabling the community's social service agencies to better provide service to Tucsonans in need.

Sun Tran works to ensure that individuals with disabilities are provided with transportation alternatives. This year, Sun Tran's fleet improved to provide 100% wheelchair accessibility. Through the *Transit Solutions* program, Sun Tran works with seniors and persons with disabilities to help these riders feel comfortable about using public transit. The program also teaches sensitivity training to Sun Tran employees who will be serving this segment of the population.



Goal: Efficient Use of Natural Resources

DOT is committed to the preservation of precious non-renewable resources. Sun Tran estimates that 26,000 people ride the bus every weekday. The most recent market research study indicated that of the current Sun Tran riders, 42% or nearly 11,000 people, have access to more than one vehicle and are considered "riders by choice." The Environmental Protection Agency reports that the average light vehicle sold in the year 2000 averages 24 miles per gallon of gas. Pima Association of Governments estimates the average Tucsonan commutes at least 16 miles round trip per day. Based on those 11,000 people who choose to ride the bus, we estimate a 7,333 gallon reduction in gasoline consumption per weekday; 1,870,000 gallons of gasoline per year (based on a five-day workweek.)

Recycled roadway construction material is used for base material on new roads. Old tires are recycled to make pavement material. Water harvesting is encouraged on all new projects.



Goal: Successful Downtown

DOT supports the success of the downtown area through the implementation of plans for improved traffic and pedestrian circulation, and public art. Many bus lines routed through the downtown Ronstadt Center provide access to downtown employment, shopping, and public events. Unique signage will be constructed to facilitate traffic circulation. Maintenance of the roadways and sidewalks are basic services vital to private and governmental business activity downtown. The ParkWise Program is a major force in the downtown revitalization efforts, partnering with supporting organizations like the Tucson Downtown Alliance and various other private associations. ParkWise manages the TICET shuttle system that helps visitors and employees maneuver through downtown. ParkWise will also play an important role in the parking and circulation planning and implementation for the Rio Nuevo development.

The department's collaborative efforts with Tucson Electric Power Company, Tucson Downtown Alliance, Intermodal Depot Committee, and area businesses support the downtown area's growth, expansion, and economic success. Public art projects, special events, and various other joint activities promoting downtown are ongoing.

TRANSPORTATION**DEPARTMENT RESOURCES**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Management Services	32.50	30.50	38.00	38.00	38.00
Transit Services	11.00	11.00	11.00	11.00	11.00
Engineering	101.00	98.00	91.00	94.00	94.00
Real Estate*	15.50	14.50	14.00	-0-	-0-
Street and Traffic Maintenance	202.00	201.00	198.00	205.00	205.00
Traffic Engineering	37.00	37.00	38.00	48.00	48.00
Permanent Total	399.00	392.00	390.00	396.00	396.00
NON-PERMANENT					
Engineering	0.50	0.50	0.50	0.50	0.50
Traffic Engineering	1.00	1.00	1.00	1.50	1.50
Non-Permanent Total	1.50	1.50	1.50	2.00	2.00
Department Total	400.50	393.50	391.50	398.00	398.00

FINANCIAL SUMMARY

Management Services	\$ 3,709,869	\$ 4,320,540	\$ 4,266,980	\$ 6,592,530	\$ 6,880,250
Transit Services	818,166	1,514,100	1,450,850	1,834,740	1,846,460
Sun Tran	33,745,114	42,050,070	37,431,780	41,892,850	41,081,520
Van Tran	6,686,609	12,042,400	12,012,400	11,954,040	12,469,620
Engineering	2,962,756	3,098,470	2,608,830	3,900,140	3,877,340
Real Estate*	549,708	738,340	589,440	-0-	-0-
Street and Traffic Maintenance	21,907,783	22,828,430	21,573,610	48,939,460	24,053,090
Traffic Engineering	3,753,927	4,842,010	4,665,150	5,893,290	5,772,790
Operating Total	74,133,932	91,434,360	84,599,040	121,007,050	95,981,070
Capital Improvements	42,915,563	102,127,500	71,964,570	87,102,500	48,253,300
Department Total	\$ 117,049,495	\$ 193,561,860	\$ 156,563,610	\$ 208,109,550	\$ 144,234,370

* For Fiscal Year 2005, Real Estate Division has transferred to the General Services Department.

TRANSPORTATION

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
CHARACTER OF EXPENDITURES					
Personal Services	\$ 21,752,698	\$ 22,890,040	\$ 21,268,030	\$ 24,369,810	\$ 26,225,480
Services	20,380,537	21,705,050	21,033,180	47,705,430	22,281,870
Commodities	11,562,211	16,473,550	12,939,050	16,247,350	14,536,570
Equipment	710,667	5,183,910	4,642,010	4,338,120	2,269,320
Other	27,526,551	31,577,470	31,046,920	33,885,720	36,539,970
Inter-Activity Transfers	(7,798,732)	(6,395,660)	(6,330,150)	(5,539,380)	(5,872,140)
Operating Total	74,133,932	91,434,360	84,599,040	121,007,050	95,981,070
Capital Improvements	42,915,563	102,127,500	71,964,570	87,102,500	48,253,300
Department Total	\$ 117,049,495	\$ 193,561,860	\$ 156,563,610	\$ 208,109,550	\$ 144,234,370

SOURCE OF FUNDS

OPERATING FUNDS

General Fund*	\$ 2,145,878	\$ 2,434,570	\$ 2,153,110	\$ 3,514,680	\$ 4,040,600
Certificates of Participation	-0-	-0-	-0-	25,000,000	-0-
Transportation Enterprise Area Management (TEAM)/ ParkWise Fund*	1,559,547	2,696,480	2,363,460	2,576,360	2,837,040
Capital Agreement Fund	65,708	-0-	-0-	-0-	-0-
Capital Agreement Fund: Pima Association of Governments (PAG)	-0-	-0-	-0-	536,000	-0-
Highway User Revenue Fund	28,503,424	29,643,390	28,051,880	32,186,390	32,746,980
Highway User Revenue Fund: Certificates of Participation	-0-	-0-	-0-	557,000	-0-
Federal Highway Administration Grants	609,486	676,460	758,670	604,990	608,850
Mass Transit Fund: General Fund Transfer	24,635,452	28,098,490	25,690,680	33,007,270	35,185,770
Mass Transit Fund: Federal Grants	3,317,353	14,152,750	11,758,240	8,412,130	5,661,830
Mass Transit Fund: Fees and Charges	10,552,589	10,615,220	10,753,000	10,946,000	11,230,000
Mass Transit Fund: Local Transit Assistance Fund	2,720,606	2,767,000	2,720,000	2,646,230	2,650,000
Mass Transit Fund: State Grants	23,889	-0-	-0-	-0-	-0-
Miscellaneous Non-Federal Grants	-0-	350,000	350,000	1,020,000	1,020,000
Operating Funds Total	\$ 74,133,932	\$ 91,434,360	\$ 84,599,040	\$ 121,007,050	\$ 95,981,070

*Prior years revenue adjustment for Transportation Enterprise Area Management (TEAM)/ParkWise fund.

TRANSPORTATION**Department Resources (Continued)**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Source of Funds (Continued)					
CAPITAL FUNDS					
General Fund	\$ 46,327	\$ -0-	\$ -0-	\$ -0-	\$ -0-
TEAM/ParkWise Fund	-0-	-0-	-0-	521,700	124,700
Capital Agreement Fund	572,308	3,211,000	2,242,090	5,297,600	115,000
Capital Agreement Fund: Arizona Department of Transportation (ADOT)	1,667	500,000	500,000	-0-	-0-
Capital Agreement Fund: Pima County Bonds	-0-	-0-	-0-	1,000,000	1,000,000
Capital Agreement Fund: PAG	6,301,691	7,003,900	5,596,980	10,905,900	12,840,000
Capital Agreement Fund: Pima County Contribution	248,857	206,000	50	209,300	2,000,000
Highway User Revenue Fund	7,221,890	6,133,000	5,331,940	9,534,500	8,141,000
Federal Highway Administration Grants	4,880,033	22,978,000	7,357,920	11,621,000	14,164,000
Mass Transit Fund: General Fund Transfer	225,719	2,250,000	1,177,000	2,194,800	1,010,600
Mass Transit Fund: Federal Grants	3,244,697	31,571,400	21,076,590	24,047,600	5,811,100
Miscellaneous Non-Federal Grants	5,929	728,000	722,080	-0-	-0-
1965 and 1973 General Obligation Bond Funds	521,824	-0-	-0-	-0-	-0-
1994 General Obligation Bond Funds	96,744	671,800	1,068,420	500,000	-0-
2000 General Obligation Bond Funds	8,565,577	15,685,200	15,138,610	14,996,800	2,300,000
2000 General Obligation Bond Funds - Interest	-0-	-0-	-0-	1,500,000	-0-
1994 Street and Highway Revenue Bond Funds	4,665,107	192,700	451,420	442,100	-0-
2000 Street and Highway Revenue Bond Funds	6,317,193	10,996,500	11,301,470	4,331,200	746,900
Capital Funds Total	\$ 42,915,563	\$ 102,127,500	\$ 71,964,570	\$ 87,102,500	\$ 48,253,300
Department Total	\$ 117,049,495	\$ 193,561,860	\$ 156,563,610	\$ 208,109,550	\$ 144,234,370

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$121,007,050 reflects an increase of \$29,572,690 from the Fiscal Year 2004 Adopted Budget. The city will make a \$25 million investment in street repairs, street lighting, sidewalks, and landscaping. This effort and on going maintenance of streets will be supported by ten Highway User Revenue funded positions. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases. Other significant changes are as follows:

- ◆ Completion of projects and acquisitions begun in Fiscal Year 2004 are funded through a \$3,063,700 carryforward.
- ◆ In response to a growing demand for Van Tran service, \$2,567,960 is added to the budget including \$1,420,800 in federal funds.
- ◆ Increases in the price of fuel adds \$1,409,690.
- ◆ In order to improve public safety and reduce congestion in construction zones, \$350,000 and four positions are added for traffic control in temporary work zones, which will be fully funded from permit fees.
- ◆ To meet federal mandates for stormwater quality, \$220,000 is included to update technology.
- ◆ Capacity to expand residential parking enforcement program adds \$215,000 and seven positions to be funded with Transportation Enterprise Area Management (TEAM) revenues.
- ◆ A change in the formula for allocation of maintenance and related facility costs results in a \$159,880 transfer from the General Service Department.
- ◆ To improve organizational efficiencies, the Real Estate Division is transferred to the General Services Department, including \$137,080 and 14 positions. Two positions were eliminated for Real Estate. The Improvement District Section is transferred to Finance, including \$95,810 and two positions.
- ◆ These increases are offset by reductions in capacity for federal grants.

The Fiscal Year 2005 Capital Budget of \$87,102,500 includes funding from city bonds, federal grants, Highway User Revenue funds, and other Inter-Governmental Agreements, (see Volume III Approved Five-Year Capital Improvement Program, Fiscal Year 2005 through 2009 for additional details).

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$95,981,070 includes a decrease of \$25,025,980 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

The Fiscal Year 2006 Capital Budget of \$48,253,300 substantially completes the voter authorized bond programs and continues implementation of programs funded with federal grants, Highway User Revenue funds, and Inter-Governmental Agreements with other agencies.

MANAGEMENT SERVICES

MISSION STATEMENT: The Management Services Division plans, coordinates, supervises, and performs administrative functions; provides budget, personnel, and computer network support; and manages the departmental Speakers Bureau. The division manages the special projects section which plans, creates, and promotes alternate mode improvements thereby reducing traffic congestion and promoting a healthier environment. The division supports the downtown revitalization effort and serves as liaison to community-based committees. The division strives to ensure the efficient and successful operation of the Department of Transportation.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Ensure computer hardware, software, and networks are operational so staff of the client divisions have trouble-free access.					
• Number of computers maintained	165	375	375	390	390
Provide employee training in safety, on computer software, and other areas such as customer service and leadership.					
• Percent of employees receiving Occupational Safety and Health Administration (OSHA) mandated training	N/A	N/A	100%	100%	100%
• Percent of total employees receiving other safety training	N/A	N/A	10%	10%	10%
• Percent of total employees receiving training	25%	30%	30%	10%	30%
Coordinate and schedule Mayor and Council agenda items for DOT, council offices, and in partnership with other city departments.					
• Study Session items	10	35	33	20	20
• Regular Agenda items	84	150	120	75	75
Manage the successful coordination of the regular Speakers Bureau/Public Outreach presentations.					
• Speakers Bureau/Public Outreach regular presentations	N/A	25	24	25	25
Ensure the successful distribution of information to organizations at Speakers Bureau presentations.					
• Percent of survey cards returned with rating of "good" or "above average" on the value of the presentation	N/A	75%	75%	75%	75%

Management Services (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Monitor the progress of pedestrian improvements suggested by the public.					
• Number of suggested projects completed divided by the number of valid requests received annually	N/A	N/A	50%	50%	50%
Manage Downtown revitalization projects such as the Union Pacific Depot restoration, support of Rio Nuevo.					
• Number of hours/month	N/A	N/A	120	120	120
Support alternate modes programs.					
• Number of hours monthly	N/A	N/A	120	120	120
Send news releases in response to transportation related issues within 24 hours.					
• Number of releases	N/A	50	50	50	50
Coordinate DOT public art projects.					
• Number of hours per month	N/A	N/A	50	50	50
Key Outcomes					
Ensure computers are operational by providing technical support.					
• Percent of computer support calls responded to within 24 hours	95%	98%	98%	98%	98%

RESOURCE SUMMARY

Position Resources	32.50	30.50	38.00	38.00	38.00
Financial Resources					
General Fund	\$ 607,121	\$ 791,370	\$ 731,760	\$ 1,226,170	\$ 1,247,820
Highway User Revenue Fund	2,803,263	2,929,170	2,892,020	4,766,360	5,032,430
Federal Highway Administration Grants	299,485	250,000	293,200	250,000	250,000
Miscellaneous Non-Federal Grants	-0-	350,000	350,000	350,000	350,000
Financial Resources Total	<u>\$ 3,709,869</u>	<u>\$ 4,320,540</u>	<u>\$ 4,266,980</u>	<u>\$ 6,592,530</u>	<u>\$ 6,880,250</u>

TRANSPORTATION

TRANSIT SERVICES

MISSION STATEMENT: The Transit Services Division plans, coordinates, supervises, and performs administrative functions for the operation of fixed-route and paratransit services to ensure an efficient and cost-effective public transit system that provides access to employment, services, and events for residents of the Tucson metropolitan area; promotes the use of alternate modes of transportation; obtains and manages grants related to transit activities.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Prepare, submit, and execute Federal Transit Administration grants.					
• Number of federal grants submitted	2	3	3	2	2
◇ Total grant dollar value (\$000s)	\$ 23,949	\$ 24,567	\$ 24,494	\$ 20,490	\$ 21,500
• Number of state grants submitted	1	1	1	-0-	-0-
◇ Total grant dollar value	-0-	939,128	667,000	-0-	-0-
Prepare, negotiate, and submit Inter-governmental Agreements between area local governments for the provision of public transit services and project management activity utilizing federal and state funding sources.	9	9	5	5	5
Process applications for Americans with Disabilities Act (ADA) eligibility for paratransit service.	3,239	3,320	3,320	3,500	3,500
Issue reduced-fare identification cards for fixed-route service.	11,000	11,000	11,000	9,500	10,000
Key Outcomes					
Maintain access to Van Tran's paratransit services.					
• Number of eligible persons	7,440	7,857	7,500	7,500	7,600

RESOURCE SUMMARY

Position Resources	11.00	11.00	11.00	11.00	11.00
Financial Resources					
General Fund	\$ -0-	\$ (26,890)	\$ (26,890)	\$ -0-	\$ -0-
Miscellaneous Non-Federal Grants	-0-	-0-	-0-	270,000	270,000
Mass Transit Fund: General Fund Contribution	659,082	961,390	898,140	1,016,740	1,015,460
Mass Transit Fund: Federal Grants	159,084	579,600	579,600	548,000	561,000
Financial Resources Total	\$ 818,166	\$ 1,514,100	\$ 1,450,850	\$ 1,834,740	\$ 1,846,460

SUN TRAN

MISSION STATEMENT: Sun Tran provides safe, well-maintained, and cost-effective public transportation with a team of innovative and diverse employees dedicated to our customers, the environment, and the community.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide regional bus service.					
• Number of buses in active fleet	199	185	189	189	189
• Number of annual passenger trips (000s)	15,004	15,527	15,440	15,679	15,963
• Annual passenger revenue (000s)	\$ 6,710	\$ 7,736	\$ 7,473	\$ 7,840	\$ 7,982
• Total miles (000s)	7,868	7,736	7,972	7,977	7,982
• Cost per mile	\$ 4.29	\$ 5.44	\$ 4.70	\$ 5.25	\$ 5.15
• Preventative maintenance inspections	1,254	1,336	1,500	1,500	1,500
• Operator safety training hours	902	4,850	1,500	1,500	1,500
Key Outcomes					
Maintain the number of miles of service between breakdowns.	6,264	2,500	6,600	6,600	6,600
Operate a safe public transit service.					
• Vehicle collision accidents per 100,000 miles	1.4	1.5	1.5	1.5	1.5
• Passenger injury accidents per 100,000 miles	0.6	0.6	0.6	0.6	0.6
Improve air quality using a percentage of buses fueled with alternative fuel.	68%	92%	72%	72%	85%
Maintain compliance with the Americans with Disability Act.	100%	100%	100%	100%	100%

RESOURCE SUMMARY

Financial Resources

Mass Transit Fund: General Fund Contribution	\$ 18,142,286	\$ 18,826,560	\$ 16,701,540	\$ 23,229,690	\$ 24,058,290
Mass Transit Fund: Local Transit Assistance Fund	2,720,606	2,767,000	2,720,000	2,646,230	2,650,000
Mass Transit Fund: Fees and Charges	9,978,153	10,058,760	9,983,000	10,176,000	10,430,000
Mass Transit Fund: State Grants	23,889	-0-	-0-	-0-	-0-
Mass Transit Fund: Federal Grants	2,880,180	10,397,750	8,027,240	5,640,930	3,743,230
Miscellaneous Non-Federal Grants	-0-	-0-	-0-	200,000	200,000
Financial Resources Total	\$ 33,745,114	\$ 42,050,070	\$ 37,431,780	\$ 41,892,850	\$ 41,081,520

TRANSPORTATION

VAN TRAN

MISSION STATEMENT: Van Tran provides paratransit services within the Tucson metropolitan area that are comparable to public transit services and are in accordance with the Americans with Disabilities Act, giving persons with disabilities access to employment, shopping, services, community agencies, and events.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide paratransit services to persons with disabilities who cannot use Sun Tran.					
• Miles of service provided (000s)	2,202	2,033	2,624	2,820	3,631
• Hours of service provided	155,618	162,000	140,230	214,175	255,732
Provide training for Van Tran drivers.					
• Number of safety training hours per driver	9.3	17.0	12.0	12.0	12.0
Provide preventive vehicle maintenance checks to reduce breakdowns.					
• Number of maintenance checks	701	499	702	898	1,011
Key Outcomes					
Maintain percent of trips that are on time to destinations.	91%	91%	91%	91%	91%
Number of passenger trips provided annually.	324,846	336,552	416,197	554,184	659,789
Number of vehicular accidents per 100,000 miles of service.					
• Accidents per 100,000 miles	0.66	0.80	0.80	0.80	0.80

RESOURCE SUMMARY

Financial Resources

Mass Transit Fund: General Fund Contribution	\$ 5,834,084	\$ 8,310,540	\$ 8,091,000	\$ 8,760,840	\$ 10,112,020
Mass Transit Fund: Fees and Charges	574,436	556,460	770,000	770,000	800,000
Mass Transit Fund: Federal Grants	278,089	3,175,400	3,151,400	2,223,200	1,357,600
Miscellaneous Non-Federal Grants	-0-	-0-	-0-	200,000	200,000
Financial Resources Total	\$ 6,686,609	\$ 12,042,400	\$ 12,012,400	\$ 11,954,040	\$ 12,469,620

ENGINEERING

MISSION STATEMENT: The Engineering Division provides for the prioritization, design, and construction of cost-effective improvements to the city's roadways and flood control systems; manages the use of and access to public rights-of-way; and provides for the protection of life and property from flood hazards.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Design and construct capital improvement projects.	N/A	50	50	50	35
Update floodplain delineation studies.	9	10	9	10	9
Conduct events that provide for public input and awareness of transportation, alternate modes, and stormwater related projects and programs.	N/A	50	50	50	50
Issue permits to construct roadway and drainage improvements that result in safety and economic benefits to the community.	N/A	6,000	6,000	6,000	6,000
Conduct stormwater inspections in response to stormwater quality concerns.					
• Number of inspections conducted	N/A	600	600	50	50
Provide service and support to customers who have obtained permits for excavation/construction in the public right-of-way.	N/A	6,000	6,000	6,000	6,000
Key Outcomes					
Maintain percent of major city streets that have a condition rating of good or better.	85%	87%	87%	87%	76%
Resurface major streets (linear miles).	21	52	52	135	45
Provide opportunities for public input on stormwater projects.	20	N/A	30	30	30
• Number of stormwater quality concerns resolved*	N/A	540	540	50	50
Remove structures from the floodplain and flood hazard through the re-drawing of flood maps.	314	100	100	100	100
Construct improvements that reduce the threat of flood damage and enhance the community's safety.	5	14	12	13	14

*Information provided in Fiscal Year 2004 was reported inaccurately.

TRANSPORTATION

Engineering (Continued)

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	101.50	98.50	91.50	94.50	94.50
Financial Resources					
General Fund	\$ 1,020,662	\$ 1,247,470	\$ 1,058,320	\$ 1,925,290	\$ 1,702,810
Highway User Revenue Fund	1,942,094	1,851,000	1,550,510	1,939,670	2,174,530
Highway User Revenue Fund: Certificates of Participation	-0-	-0-	-0-	35,180	-0-
Financial Resources Total	\$ 2,962,756	\$ 3,098,470	\$ 2,608,830	\$ 3,900,140	\$ 3,877,340

REAL ESTATE*

MISSION STATEMENT: The Real Estate Division provides professional real property services including appraisal, acquisition, management, special studies, geographical information system services, cultural resource clearance, environmental investigation, leasing, and disposition for city departments and the community.

KEY MEASURES OF PERFORMANCE

Key Outputs

Provide needed property for new public facilities.

• Number of properties acquired	120	90	80	-0-	-0-
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Sell surplus parcels of property.	28	18	18	-0-	-0-
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Respond to service requests for property vacation, abandonment, easement, rezoning reviews, right-of-entry, lease, or special use.	216	180	200	-0-	-0-
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Complete appraisals and estimates of value for real property for various public projects and citywide needs.

• Number of appraisals and estimates of value	76	100	75	-0-	-0-
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Provide Geographic Information System (GIS) special project maps to Mayor and Council, neighborhood associations, city departments, governmental agencies, consultants, and the private sector.

• Number of maps	192	170	180	-0-	-0-
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*The Real Estate Division was transferred to the General Services Department for Fiscal Year 2005.

Real Estate (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outcomes					
Increase the city's tax base by returning unneeded parcels of property to the tax rolls.					
• Number of parcels	28	18	20	-0-	-0-
• Value of parcels (\$000s)	\$ 1,839	\$ 400	\$ 400	\$ -0-	\$ -0-
RESOURCE SUMMARY					
Position Resources	15.50	14.50	14.00	-0-	-0-
Financial Resources					
General Fund	\$ 518,095	\$ 422,620	\$ 389,920	\$ -0-	\$ -0-
Highway User Revenue Fund	31,613	315,720	199,520	-0-	-0-
Financial Resources Total	\$ 549,708	\$ 738,340	\$ 589,440	\$ -0-	\$ -0-

STREETS AND TRAFFIC MAINTENANCE

MISSION STATEMENT: The Streets and Traffic Maintenance Division provides a comprehensive maintenance program of streets, median island landscaping, alleyways, and drainage channels to ensure safe driving surfaces, decrease the potential for flooding, and control dust. The division also manages a maintenance and inspection program of street lighting, traffic signs, traffic signals, and roadway markings to ensure the safe and efficient movement of people, traffic, and goods.

KEY MEASURES OF PERFORMANCE

Key Outputs

Resurface streets (lane miles).

• Chip, cape, slurry seal programs	203	275	132	150	150
• Infrastructure enhancement micro resurfacing	N/A	N/A	N/A	155	N/A

Respond to emergency calls regarding traffic signal malfunctions within four hours.

• Number of emergency calls	3,468	1,500	3,850	3,700	3,700
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Conduct preventive maintenance on traffic signals: checking timing, controller, and detection devices.

• Number of traffic signal maintenance checks	1,006	825	1,050	1,015	1,015
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TRANSPORTATION

Street and Traffic Maintenance (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Re-stripe major collectors and arterials (linear miles).	3,348	2,800	3,015	3,050	3,050
Relamp streetlights in a preventive maintenance program and respond to customer trouble calls reported.					
• Number of lights replaced	3,379	3,000	2,800	2,900	3,000
• Number of streetlight trouble calls	N/A	N/A	2,210	2,210	2,210
Maintain drainage channels to achieve a balance between flood control considerations, wildlife, and vegetation preservation.					
• Linear miles of drainage channels maintained	195	150	129	165	165
Respond to emergency maintenance requests related to public safety (debris and glass in roadway).					
• Number of man hours	2,281	1,500	2,600	2,260	2,260
Process citizen requests for maintenance in paved surface, weed control, street cleaning, drainage channel maintenance, street lights, traffic signals, striping, signage, non-paved surface maintenance, storm damage, concrete work and other safety concerns.					
• Number of service requests	N/A	N/A	17,900	15,000	15,000
Install and replace critical regulatory signs. (number of signs)	N/A	N/A	7,000	6,000	6,000
Conduct a comprehensive maintenance program on median island and roadsides for tree/shrub trimming and irrigation repairs/construction.					
• Hours spent on irrigation repairs	N/A	N/A	5,880	5,300	5,300
• Miles of irrigation reconstruction	N/A	N/A	3.5	5.0	5.0
• Hours spent on tree/shrub trimming	N/A	N/A	1,900	1,550	1,550
Key Outcomes					
Ensure that traffic signals operate trouble free 24 hours per day.					
• Number of traffic signal intersections	348	340	348	348	348
• Percent of traffic signals operating trouble free daily	97%	98%	97%	98%	98%

Street and Traffic Maintenance (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Respond to requests for maintenance tracked in the maintenance management program.					
• Service requests completed	N/A	N/A	93%	93%	93%

RESOURCE SUMMARY

Position Resources	202.00	201.00	198.00	205.00	205.00
Financial Resources					
General Fund	\$ -0-	\$ -0-	\$ -0-	\$ 14,520	\$ 704,000
Certificates of Participation	-0-	-0-	-0-	25,000,000	-0-
Highway User Revenue Fund	21,597,782	22,401,970	21,132,140	23,048,130	22,990,240
Highway User Revenue Fund: Certificates of Participation	-0-	-0-	-0-	521,820	-0-
Federal Highway Administration Grants	310,001	426,460	441,470	354,990	358,850
Financial Resources Total	\$ 21,907,783	\$ 22,828,430	\$ 21,573,610	\$ 48,939,460	\$ 24,053,090

TRAFFIC ENGINEERING

MISSION STATEMENT: The Traffic Engineering Division designs, constructs, and monitors intelligent transportation, traffic, transit, and parking systems and implements neighborhood traffic calming features that promote a safer community.

KEY MEASURES OF PERFORMANCE

Key Outputs					
Process citizen requests concerning traffic regulation signs, visibility issues, pedestrian crossings, traffic signal modifications and timing adjustments, and other safety improvements.	2,391	2,500	2,560	3,500	3,500
Review barricade, development, and roadway improvement plans.					
• Barricade plans reviewed	572	650	1,385	1,200	1,200
• Development plans reviewed	417	500	509	500	500
• Roadway improvement plans reviewed	221	350	340	350	350
Respond to requests for Neighborhood Traffic Management Program information.					
• Number of request responses	212	290	201	230	230

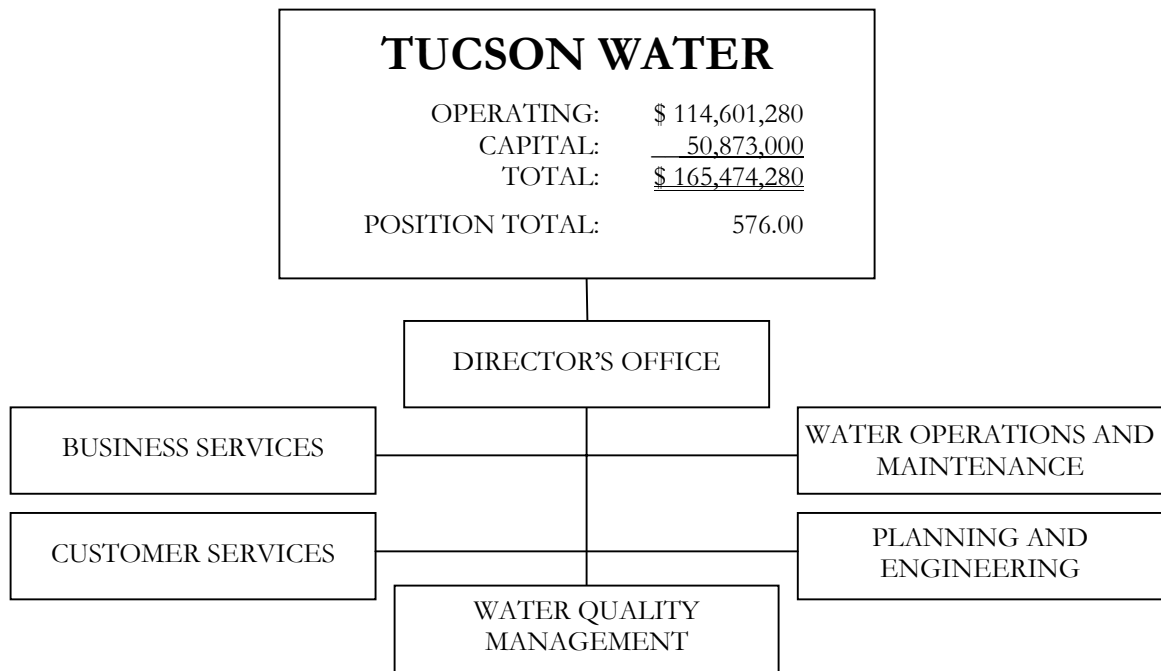
TRANSPORTATION

Traffic Engineering (Continued)**KEY MEASURES OF PERFORMANCE**

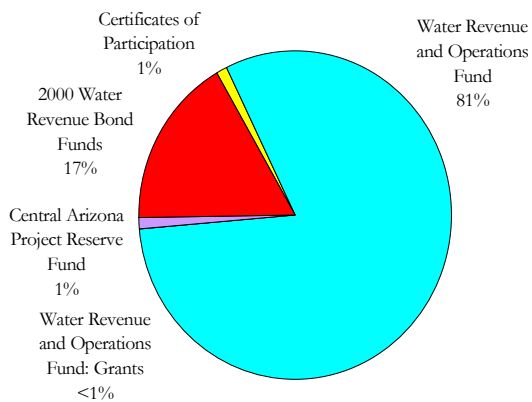
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Issue parking permits.					
• Number of residential permits	2,457	5,000	2,348	3,000	3,000
• Number of non-residential permits	248	530	405	530	530
Conduct intersection reviews and adjust green-light signal times for safe and optimal movement of traffic.	74	200	85	80	80
Respond to citizen calls for parking enforcement services within one hour.	1,381	1,600	1,138	1,600	1,600
Key Outcomes					
Enhance livability in neighborhoods.					
• Number of Neighborhood Traffic Management Programs implemented	60	40	80	120	140
Manage the number of parking programs to protect neighborhood integrity and business viability.	23	31	31	35	35

RESOURCE SUMMARY

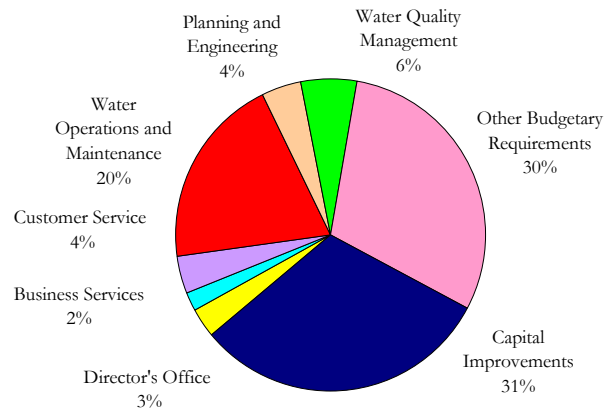
Position Resources	38.00	38.00	39.00	49.50	49.50
Financial Resources					
General Fund	\$ -0-	\$ -0-	\$ -0-	\$ 348,700	\$ 385,970
Transportation Enterprise Area Management (TEAM)/ ParkWise Fund	1,559,547	2,696,480	2,363,460	2,576,360	2,837,040
Capital Agreement Fund	65,708	-0-	-0-	-0-	-0-
Capital Agreement Fund: PAG	-0-	-0-	-0-	536,000	-0-
Highway User Revenue Fund	2,128,672	2,145,530	2,277,690	2,432,230	2,549,780
Federal Highway Administration Grants	-0-	-0-	24,000	-0-	-0-
Financial Resources Total	<u>\$ 3,753,927</u>	<u>\$ 4,842,010</u>	<u>\$ 4,665,150</u>	<u>\$ 5,893,290</u>	<u>\$ 5,772,790</u>



FINANCING PLAN

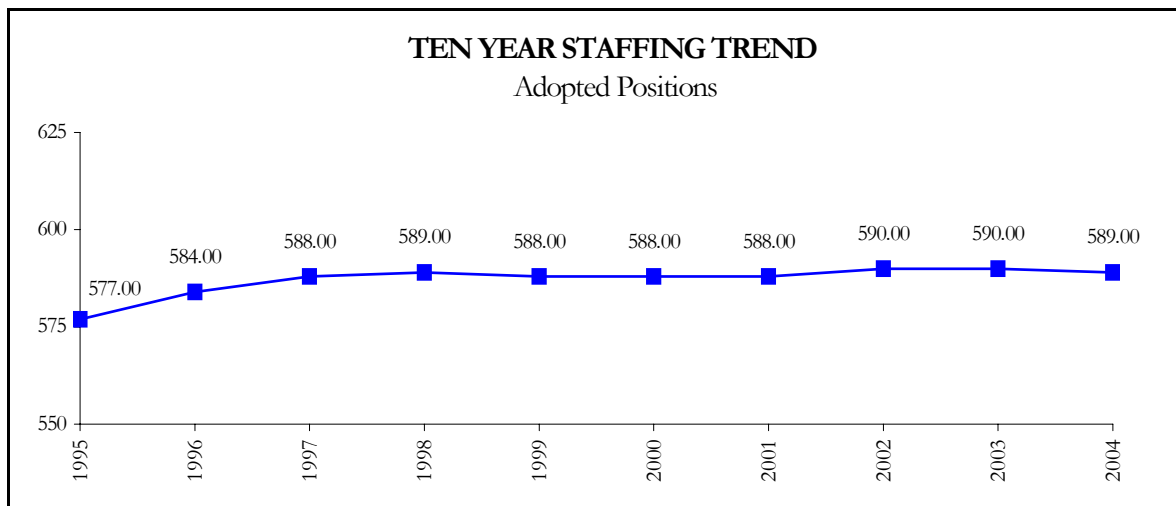


PROGRAM ALLOCATION



TEN YEAR STAFFING TREND

Adopted Positions



TUCSON WATER

MISSION STATEMENT: To provide, in partnership with our community, excellence in water services to secure the future and enhance the quality of life. Our commitment is to ensure our customers receive high quality water and excellent service in a cost efficient and environmentally responsible manner.

OVERVIEW

Tucson Water is charged with balancing the issues of water quality and related costs while managing sustainable water sources to meet current and future demand. Tucson Water maintains this balance by developing and operating the water system in a manner that is responsive to its customers, enhances the environment, and meets or exceeds all regulatory requirements.

Tucson Water provides water service to approximately 680,000 residents within a 285 square-mile service area that encompasses approximately 78% of the greater Tucson metropolitan area's total population. A network of wells, reservoirs, booster stations, and water mains will deliver approximately 36 billion gallons or 110,500 acre-feet (one acre-foot equals 325,851 gallons) of drinking water to city and county residents and businesses during Fiscal Year 2005. In addition, about 3.4 billion gallons or 10,400 acre-feet of reclaimed water (wastewater effluent treated by filtering and disinfecting) will be delivered for irrigation purposes. Tucson Water also recharges Colorado River water, secondary effluent, and reclaimed water into the aquifer, thereby "banking" water for future use. Also, Tucson Water continues to improve the reliability of the water delivery system by replacing old water mains, adding wells, and maintaining the well system at 95% availability during peak demand periods. Through these efforts, Tucson Water will be able to produce and distribute 155 million gallons of drinking water and 25 million gallons of reclaimed water per day during the summer to meet peak day demand.

Under the policy direction of the Mayor and Council, staff within the Director's Office and five operating divisions (Business Services, Customer Services, Water Operations and Maintenance, Planning and Engineering, and Water Quality Management) conduct the work of the department.

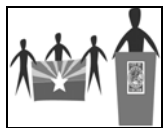
DEPARTMENT HIGHLIGHTS

The Clearwater Renewable Resource Facility, located in Avra Valley, began operations in spring of 2001. The facility provides a blend of native groundwater and recharged Colorado River water to the greater Tucson area, which allows many of the wells in the central city to be placed in a stand-by mode. The facility includes recharge basins, recovery wells, a reservoir, a booster station, and transmission mains, and was constructed in three phases and completed in 2003. The facility provides up to 60,000 acre-feet of water to Tucson per year, which is about half of the potable water now used by the community. Reduced pumping from the central wellfield will allow the aquifer in the Tucson basin to slowly recover through natural recharge.

Tucson Water continued three critical programs to increase efficiency in department operations and risk reduction:

- Maintenance Management Program targeting preventative maintenance through improved procedures, organization, and staffing
- Reengineering to involve employees in identifying more efficient work practices throughout the department
- Five Star Safety System aimed at reducing risk through world-class safety and loss control practices

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Engaged Community and Responsive Government

Tucson Water provides a variety of ways for the community to learn about water issues and to influence the direction of water policy. The community is informed through a monthly newsletter *Water Connection*, public service announcements, workshops, construction project outreach activities, annual water quality reports, a department Internet Web site covering current water quality information and many other subjects, a speaker's bureau, department open houses, tours of water facilities and projects using trained docents, water conservation lectures and demonstrations, appearances by the Water Information Van, water information booths at community events, and pamphlets and booklets distributed throughout the community.

The public is encouraged to provide input to Tucson Water by e-mail, telephone comment line, focus groups, annual customer surveys, and participation at citizen advisory committee meetings and project meetings. In addition, the Fiscal Year 2003 System Equity Fee process included the input and assistance of a Customer Rate Advisory Group which represented all major billing classes.



Goal: Excellent Public Education

Tucson Water provides educational materials to assist in teaching all ages about water supply, demand, and water quality issues unique to the Tucson basin. Partnerships with the University of Arizona, Pima Community College, and other schools have been established to provide internships at Tucson Water in the areas of hydrology, engineering, geology, and information systems. The department also provides high school teachers with the opportunity for summer internships at Tucson Water to get a better understanding of community water issues, the complexities of operating a community water system, and career opportunities available to their students. The Sweetwater Wetlands Project continues to provide a variety of educational opportunities involving volunteer docents, teachers using the wetlands as an outdoor classroom, and other organizations assisting with field educational materials.



Goal: Abundant Urban Green Space and Recreation Areas

Tucson Water partners with local schools, the University of Arizona, and Pima County in support of urban green space and recreation areas. Several important Tucson Water projects (such as the Clearwater Renewable Resource Facility, Pima Mine Road, Sweetwater Wetlands, and Lincoln Park Riparian Habitat projects) enhance the livability of our community while making judicious use of limited water resources.

Staff works with other city departments on Neighborhood Enhancement Teams (NETeams) to help construct neighborhood parks, provide cleanups, and plant native trees. Additionally, Tucson Water maintains landscaping at well and booster sites that blend with the natural surroundings and augments the limited green space in neighborhoods.



Goal: Protected Natural Desert Environment

The primary purpose of the Sweetwater Wetlands is to treat wastewater effluent to allow its reuse for irrigation purposes, but its larger value to the community is the habitat it provides for birds, animals, and plant species that were once common in the area. Since it opened in 1998, many citizens enjoy bird watching at Sweetwater Wetlands. Reclaimed water is used to support native plant and animal life at various parks and walking paths throughout the community. Tucson Water also protects the Sonoran Desert during construction projects by removing natural vegetation, which is then used to "revegetate" construction sites.

Support For Livable Tucson Goals (Continued)

**Goal: Clean Air and Quality Water**

Tucson Water collaborates with the Arizona Department of Water Quality, Arizona Department of Health Services, Pima Association of Governments, and the University of Arizona to ensure that the quality of water delivered to customers exceeds federal, state, and local regulations. Water quality is regularly monitored at more than 250 sampling points throughout the distribution system. Water samples are analyzed for aesthetic qualities and for chlorine residual, bacteria, and other potential contaminants. In total, approximately 175,000 drinking water analyses are performed per year. Tucson Water also partners with the American Water Works Association Research Foundation and other agencies to provide customer satisfaction through best practices and improved water treatment.

**Goal: Efficient Use of Natural Resources**

Tucson Water, in collaboration with the Pima Association of Governments, the U.S. Geological Survey, and the University of Arizona, works vigorously to conserve groundwater and ensure the efficient use of alternative water resources. The Zanjero (water audit) Program saves approximately 45 million gallons of groundwater annually in homes and businesses. An expanded, more sophisticated water main leak detection program saves additional water. The year-round conservation program, *Be Water Smart*, will be augmented by other conservation initiatives, including further improvements to the Water Waste ordinance and a conservation assistance program targeted at low-income customers.

In addition to using a large volume of Colorado River water in the Clearwater Renewable Resource Facility, Tucson Water continues to partner with the Central Arizona Water Conservation District (CAWCD) to recharge Colorado River water at the Pima Mine Road site and to sell Colorado River water to agricultural operations resulting in groundwater credits that can be used toward maintaining the assured water supply designation.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Director's Office	31.50	30.50	75.50	30.50	30.50
Business Services*	31.00	31.00	25.00	26.00	26.00
Customer Services*	99.00	99.00	106.00	107.00	107.00
Water Operations and Maintenance	222.50	222.50	188.50	203.00	197.00
Planning and Engineering	147.00	147.00	147.00	147.00	147.00
Water Quality Management	59.00	59.00	38.00	62.50	62.50
Department Total	590.00	589.00	580.00	576.00	570.00

*The Billing Office, Westside Metering, and Eastside Metering were transferred from Business Services to Customer Services as part of a reorganization.

TUCSON WATER

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
FINANCIAL SUMMARY					
Director's Office	\$ 5,520,068	\$ 4,945,950	\$ 7,483,060	\$ 5,125,180	\$ 5,195,810
Business Services	3,612,197	4,225,160	3,707,700	4,046,840	4,173,690
Customer Services	5,334,107	5,383,090	5,538,370	5,912,190	6,314,260
Water Operations and Maintenance	29,317,301	31,828,510	27,606,190	32,347,280	32,787,830
Planning and Engineering	6,233,573	6,247,780	5,816,130	6,780,920	7,184,890
Water Quality Management	7,249,475	8,893,540	6,895,900	10,096,690	9,775,070
Other Budgetary Requirements	45,620,389	49,819,290	49,833,860	50,292,180	53,128,500
Operating Total	102,887,110	111,343,320	106,881,210	114,601,280	118,560,050
Capital Improvements	48,095,591	52,029,000	53,685,580	50,873,000	52,265,000
Department Total	\$ 150,982,701	\$ 163,372,320	\$ 160,566,790	\$ 165,474,280	\$ 170,825,050

CHARACTER OF EXPENDITURES

Personal Services	\$ 29,481,783	\$ 29,408,360	\$ 26,776,300	\$ 30,309,630	\$ 31,933,430
Services	44,537,259	50,537,250	48,743,130	52,629,240	53,541,040
Commodities	6,997,931	7,287,210	7,025,270	7,782,110	7,491,520
Equipment	2,195,967	2,000,000	2,000,000	1,950,000	1,880,000
Debt Service	25,755,024	29,274,750	29,500,760	29,160,000	30,655,000
Other	130,920	(4,200)	(4,200)	137,190	143,410
Inter-Activity Transfers	(6,211,774)	(7,160,050)	(7,160,050)	(7,366,890)	(7,084,350)
Operating Total	102,887,110	111,343,320	106,881,210	114,601,280	118,560,050
Capital Improvements	48,095,591	52,029,000	53,685,580	50,873,000	52,265,000
Department Total	\$ 150,982,701	\$ 163,372,320	\$ 160,566,790	\$ 165,474,280	\$ 170,825,050

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
SOURCE OF FUNDS					
OPERATING FUNDS					
Central Arizona Project Reserve Fund	\$ 1,272,167	\$ 1,488,000	\$ 1,488,000	\$ 1,488,000	\$ 1,488,000
Water Revenue and Operations Fund	101,614,943	109,705,320	105,243,210	111,663,280	115,742,050
Water Revenue and Operations Fund: Grants	-0-	150,000	150,000	150,000	150,000
Water Revenue and Operations Fund: Certificates of Participation	-0-	-0-	-0-	1,300,000	1,180,000
Operating Funds Total	\$ 102,887,110	\$ 111,343,320	\$ 106,881,210	\$ 114,601,280	\$ 118,560,050
CAPITAL FUNDS					
2000 Water Revenue Bond Funds	\$ 34,391,081	\$ 31,206,000	\$ 32,796,580	\$ 28,145,000	\$ -0-
Central Arizona Project Reserve Fund	11,583	10,000	10,000	11,000	11,000
Future Water Revenue Bonds	-0-	-0-	66,000	-0-	28,074,000
Water Revenue and Operations Fund	13,330,038	20,813,000	20,813,000	22,217,000	23,930,000
Water Revenue and Operations Fund: Grants	362,889	-0-	-0-	500,000	250,000
Capital Funds Total	\$ 48,095,591	\$ 52,029,000	\$ 53,685,580	\$ 50,873,000	\$ 52,265,000
Department Total	\$ 150,982,701	\$ 163,372,320	\$ 160,566,790	\$ 165,474,280	\$ 170,825,050

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$114,601,280 reflects an increase of \$3,257,960 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance and pension increases. Other significant changes are as follows:

- ◆ Higher natural gas prices result in a \$944,300 increase in power costs.
- ◆ Efficiencies identified through the Maintenance Management Program save \$800,000, including 13 positions.
- ◆ To generate future efficiency savings, a one-time investment of \$494,000 in the Maintenance Management Program is funded in Fiscal Year 2005.
- ◆ As the recharge capacity at the Clearwater Renewable Resource Facility is brought on-line an increase in Central Arizona Project (CAP) water purchases will require an additional \$493,400.
- ◆ Revisions in regulatory requirements necessitate an increase of \$403,000 for testing and consultant services.
- ◆ To make payment of water bills more convenient for customers, an on-line credit card system and pay stations will be implemented at a cost of \$275,000.
- ◆ Increases in the price of fuel add \$199,190.

The Fiscal Year 2005 Capital Budget of \$50,873,000 completes the voter authorized bond program and implements projects funded with water revenues.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$118,560,050 includes an increase of \$3,958,770 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance and pension increases. In addition, an increase in Central Arizona Project (CAP) water purchases and debt service will add \$2,990,850. Projected efficiencies through the Maintenance Management Program will result in savings of \$298,000, including six positions.

The Fiscal Year 2006 Capital Budget of \$52,265,000 anticipates the sale of future water revenue bonds for planned potable and reclaimed water projects and continued use of water revenues for ongoing projects.

DIRECTOR'S OFFICE

MISSION STATEMENT: The Director's Office provides vision for the future and leadership for Tucson Water; oversees the utility's programs, activities, and strategic planning process to ensure proactive compliance with Mayor and Council water policies, City Manager direction, regulatory requirements, and community expectations; coordinates and facilitates communication with customers, Mayor and Council, outside agencies, other city departments, and the media; provides personnel, training, and safety programs; develops efficiency improvements that will minimize water rate increases; and promotes water conservation through educational information and training.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Respond to media requests for public information.					
• Media requests	600	600	600	650	700
Provide Speakers' Bureau presentations in the community with trained staff.					
• Number of presentations	150	140	140	150	160
Conduct educational tours of projects and facilities for customers.					
• Number of customers	1,000	1,000	1,000	1,200	1,300
Provide employee training on customer service, computer software, multi-skilled program, supervisory skills, and required Occupational Safety and Health Administration (OSHA) safety awareness updates.					
• Hours of training	4,950	5,000	5,050	5,200	5,400
Conduct surveys and focus groups to obtain customer input and measure customer perception.					
• Number of surveys conducted annually	4	4	4	5	5
• Number of focus groups conducted annually	8	8	8	10	10
Conduct management studies and financial analysis to improve operational efficiency.					
• Number of studies conducted	12	12	14	14	15

TUCSON WATER

Director's Office (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Provide educational opportunities for local school children and teachers about the various water supplies, water quality, and water conservation issues specific to Tucson.					
• Number of students participating in Tucson Water Education Programs	16,500	16,500	16,500	16,750	17,000
• Number of high school teachers in internship program	20	20	22	25	25
Key Outcomes					
Obtain overall service satisfaction ratings of "very good" or "excellent" from surveyed customers.					
• Percent of desired ratings received	93%	94%	94%	95%	95%
Receive employee ratings of "above average" or "excellent" on training programs.					
• Percent of desired ratings received	90%	90%	90%	92%	94%

RESOURCE SUMMARY

Position Resources	31.50	30.50	75.50	30.50	30.50
Financial Resources					
Water Revenue and Operations Fund	\$ 5,520,068	\$ 4,795,950	\$ 7,333,060	\$ 4,975,180	\$ 5,045,810
Water Revenue and Operations Fund: Grants	-0-	150,000	150,000	150,000	150,000
Financial Resources Total	<u>\$ 5,520,068</u>	<u>\$ 4,945,950</u>	<u>\$ 7,483,060</u>	<u>\$ 5,125,180</u>	<u>\$ 5,195,810</u>

WATER WISDOM IN THE CLASSROOM

Tucson Water has an ongoing commitment to school education. More than 21,000 students from local schools have seen presentations, taken field trips, or participated in classroom activities sponsored by Tucson Water during the past three years. This interaction with students and teachers continues to enhance our future generations' knowledge of water conservation and water quality issues as well as ensure protection of our precious water resource for the future.

BUSINESS SERVICES

MISSION STATEMENT: The Business Services Division promotes service excellence by providing centralized administrative support to the department, the City Manager, the Mayor and Council, and the Citizens' Water Advisory Committee (CWAC). The division provides financial services and analysis related to water rates and revenues, budget development and coordination (operating and capital), management analysis, and information technology systems implementation and support.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outcomes					
Work with departmental divisions and Mayor and Council to develop a Financial Plan that meets operational and capital requirements, is acceptable to our customers, and maintains or improves the utility's bond ratings.					
• Water Revenue Bond Ratings					
◇ Moody's	Aa3	Aa3	Aa3	Aa3	Aa3
◇ Standard and Poor's	A+	A+	A+	A+	A+
Ensure department computer application systems are available to staff and the Internet Web site is available to customers except during scheduled maintenance downtime.					
• Percent of scheduled time department computer systems and Web site are available	98%	99%	99%	99%	99%

RESOURCE SUMMARY

Position Resources*	31.00	31.00	25.00	26.00	26.00
Financial Resources					
Water Revenue and Operations Fund	\$ 3,612,197	\$ 4,225,160	\$ 3,707,700	\$ 4,046,840	\$ 4,173,690

*The Billing Office, Westside Metering, and Eastside Metering were transferred from Business Services to Customer Services as part of a reorganization.

CUSTOMER SERVICES

MISSION STATEMENT: The Customer Services Division promotes service excellence by providing monthly water billing services, and responding to all customer inquiries regarding water bills and payments; responding to customer requests for water service turn-on/off and other billing-related services; and ensuring meters are accessible and readable. Through in-home water audits and high bill investigations, the Customer Services Division assists customers in conservation efforts and efficient use of water. This is accomplished through meter reading, billing activities, and providing timely and effective responses to customer inquiries regarding water bills, payments, and other water services. The division also operates the billing system for customers of the city's Environmental Services Department, and Pima County's Wastewater Management Department.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Read water meters for billing purposes.					
• Number of water meters read annually (000s)	2,508	2,491	2,571	2,635	2,701
Bill utility service accounts (water, solid waste, and sewer).					
• Number of bills issued annually (000s)	2,795	3,019	2,887	2,959	3,033
Initiate or discontinue water service at customers' request.					
• Number of service turn-ons/turn-offs	42,438	42,256	43,500	44,590	45,700
Conduct water use audits at customers' request.					
• Number of audits	1,624	1,700	1,700	1,725	1,750
Key Outcomes					
Provide timely responses to approximately 260,000 customer telephone calls regarding utility accounts (water, solid waste, sewer).					
• Average number of seconds customers wait to speak to a service representative	17	15	20	20	20
Provide customers with accurate monthly water bills by limiting the number of meter reading errors.					
• Number of errors per 10,000 reads	5	2	4	3	3

RESOURCE SUMMARY

Position Resources*	99.00	99.00	106.00	107.00	107.00
Financial Resources					
Water Revenue and Operations Fund	\$ 5,334,107	\$ 5,383,090	\$ 5,538,370	\$ 5,912,190	\$ 6,314,260

*The Billing Office, Westside Metering, and Eastside Metering were transferred from Business Services to Customer Services as part of a reorganization.

WATER OPERATIONS AND MAINTENANCE

MISSION STATEMENT: The Water Operations and Maintenance Division ensures a continuous supply of water that is acceptable to customers in terms of cleanliness, clarity, flow, and pressure through the operation and maintenance of water production, disinfection, and distribution facilities, as well as the installation and maintenance of new water services and meters. The division also provides water system leak detection and mitigation to conserve water resources.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Conduct regular inspections of potable and reclaimed water production wells, reservoirs, and boosters to meet Arizona Department of Environmental Quality requirements.					
• Number of inspections conducted	23,400	36,000	24,336	24,752	25,168
Provide water customers with reliable, high quality water.					
• Number of operational wells	225	225	234	238	242
• Number of new meter and full-service requests completed annually	5,593	8,500	6,500	7,000	7,500
• Number of emergency water outages repaired	435	2,000	400	400	400
Conduct pump tests at wells to maximize well field efficiency and capacity to ensure delivery of an adequate water supply.					
• Number of pump tests conducted	130	500	150	400	520
• Number of pumps replaced	18	18	15	18	17
Conduct bluestake investigations for customers planning to dig anywhere on their property to meet Arizona Damage Prevention Law and Arizona Corporation Commission (ACC) Rules					
• Number of bluestake investigations	68,300	75,000	69,300	69,800	70,300
Key Outcomes					
Provide effective and prompt response to water service or distribution maintenance problems within established timelines.					
• Percent of emergency water outages restored within four to eight hours	98%	98%	98%	98%	98%

Water Operations and Maintenance (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Evaluate, repair, and restore to service failed water production facilities (160 electric, 40 natural gas engine facilities).					
• Percent of stations repaired within eight hours	99%	98%	98%	98%	98%
• Percent of operational wells in service during summer peak demand period	96%	95%	97%	97%	97%

RESOURCE SUMMARY

Position Resources	222.50	222.50	188.50	203.00	197.00
Financial Resources					
Water Revenue and Operations Fund	\$ 29,317,301	\$ 31,828,510	\$ 27,606,190	\$ 32,347,280	\$ 32,787,830

PLANNING AND ENGINEERING

MISSION STATEMENT: The Planning and Engineering Division ensures that water production and distribution systems are planned, designed, constructed, and protected in a manner that meets customer needs, and complies with city, state, and federal consumer regulations. The division also provides comprehensive planning to determine future water system needs, to preserve groundwater, and to enhance use of alternative water resources such as reclaimed and Colorado River water.

KEY MEASURES OF PERFORMANCE

Key Outputs

Plan to meet current and future water service needs including peak water demand during the summer.

• Number of new production wells drilled	5	3	3	5	3
• Number of new monitor wells drilled	9	-0-	-0-	2	7
• Number of new piezometer wells drilled	18	-0-	-0-	2	7
• Number of water system analyses to enhance the water system	150	150	150	150	150

Design or review water production facilities, pipelines, and new water services to ensure current and future water service needs are met.

• Number of new and modified production/treatment facility projects designed	40	42	42	45	45
• Miles of potable transmission mains designed	12.25	5.00	8.00	10.00	10.00

Planning and Engineering (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
• Miles of potable distribution mains designed	11.50	3.00	18.25	10.00	10.00
• Miles of reclaimed transmission mains designed	6.0	7.0	6.0	3.0	8.0
• Miles of reclaimed distribution mains designed	5.0	-0-	3.0	3.0	3.0
• Miles of reclaimed transmission and distribution mains installed	1.5	-0-	6.0	6.0	3.0
• Miles of reclaimed distribution mains installed	0.50	-0-	6.50	2.0	3.0
• Number of requests for new water services (meters, hydrants, etc.) processed	8,421	6,000	7,000	7,250	7,300
Ensure that all backflow assemblies are inspected and tested annually to protect the public water system from cross-contamination. Continue to inspect construction projects to ensure contract compliance and conformance to State of Arizona laws.					
• Number of backflow assembly owners notified that testing is required	17,450	15,700	18,148	18,874	19,629
• Number of backflow code compliance inspections	3,463	6,700	3,636	7,272	7,709
Enhance the water delivery system to meet customers' needs for water pressure and supply.					
• Number of new wells equipped	4	4	6	4	4
• Number of booster and pressure relief valve stations installed	10	12	12	12	12
• Number of reservoirs and storage tanks constructed	4	4	3	3	3
• Miles of potable transmission water mains installed	2.1	4.0	11.5	6.0	8.0

Planning and Engineering (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outcomes					
Ensure system infrastructure records are accurate and accessible to the public, developers, designers, and other agencies.					
• Number of responses to requests for water system information	30,250	31,500	30,500	29,500*	29,250*
• Percentage of requests responded to within one day	100%	100%	100%	100%	100%
Ensure system modification projects submitted for review are processed within established time lines.					
• Number of system modification plans reviewed	120	600	120	150	100
• Percentage of system modification plans reviewed within 15 working days	80%	85%	80%	60%	90%
Ensure the safety of the water system, and complete improvements within established timelines.					
• Percent of new development plans reviewed within ten days of submittal	90%	90%	90%	90%	90%
• Percent of facility projects designed within 15 working days of adopted schedule	85%	90%	85%	90%	90%
• Percent of main projects designed within 15 working days of adopted schedule	75%	85%	75%	75%	75%
Increase use of reclaimed water as a percentage of total water consumption	8.9%	6.0%	8.0%	8.0%	8.0%

*Anticipated to be lower due to the effect of Geographical Information System (GIS) users being able to access information electronically. This should reduce the number of requests made to the department.

RESOURCE SUMMARY

Position Resources	147.00	147.00	147.00	147.00	147.00
Financial Resources					
Water Revenue and Operations Fund	\$ 6,233,573	\$ 6,247,780	\$ 5,816,130	\$ 6,780,920	\$ 7,184,890

WATER QUALITY MANAGEMENT

MISSION STATEMENT: The Water Quality Management Division provides water sampling, analyses, and treatment to ensure that the highest quality water is available to our customers. The division operates the Roger Road Reclaimed Water Plant, Sweetwater Wetlands, Tucson Airport Remediation Project Water Treatment Plant, the Hayden-Udall Water Treatment Plant, and the Clearwater Renewable Resource Facility. In addition, the division maintains regulatory compliance with all state, county, and federal agencies as well as provides analytical support to the City of Tucson through its state-of-the-art laboratory facilities.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Conduct water quality monitoring and reporting programs to ensure the highest quality water is being delivered and to ensure compliance with regulatory requirements.					
• Number of samples analyzed by contract laboratories	1,437	2,100	2,000	1,500	1,500
• Number of samples analyzed in-house	8,520	13,000	10,000	9,000	9,000
• Number of compliance samples collected	3,650	5,600	4,300	3,880	3,850
• Number of discretionary samples collected	13,400	14,250	15,100	16,600	17,400
Respond to customer requests for information.					
• Number of customer requests	260	270	270	312	343
• Number of monthly water quality reports published in the newspaper and on the Web page	88	150	90	92	95
Respond to regulatory requirements by gathering information and preparing and submitting reports within established deadlines.					
• Number of regulatory reports required	3,300	5,200	5,900	3,307	3,296
Key Outcomes					
Ensure public confidence in water quality by meeting or exceeding federal, state, and local water regulatory standards.					
• Percent of water samples collected which meet regulatory requirements	100%	100%	100%	100%	100%
• Percent of customer requests for water data completed within two weeks of receipt	100%	99%	100%	100%	100%
• Percent of regulatory reports generated by reporting deadlines	100%	100%	100%	100%	100%

Water Quality Management (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
• Percent of regulatory reports requiring resubmittal to Arizona Department of Environmental Quality	1%	2%	1%	1%	1%
• Percent of contract lab samples turned around in less than six weeks	98%	90%	95%	95%	95%
• Percent of in-house lab samples turned around in less than six weeks	98%	90%	95%	95%	95%
Maintain the Tucson Airport Remediation Project (TARP) in service.					
• Percent of time in service	90%	90%	90%	90%	90%
Maintain the Roger Road Reclaimed Water Plant in service.					
• Percent of time in service	100%	90%	90%	90%	90%
Ensure Treatment Plant operations meet all water quality standards.					
• Percent of standards met	100%	100%	100%	100%	100%
Conduct pilot test programs relating to water treatment processes.					
• Percent of milestones met on schedule	100%	100%	100%	100%	100%
Operate plant chemical feed systems to treat water from the Clearwater facility to meet regulatory standards					
• Percent of standard met	100%	100%	100%	100%	100%
Operate the TARP facility to produce 7.5% of the potable water supply for Tucson Water customers.	7.5%	7.5%	7.5%	7.5%	7.5%

RESOURCE SUMMARY

Position Resources	59.00	59.00	38.00	62.50	62.50
Financial Resources					
Water Revenue and Operations Fund	\$ 7,249,475	\$ 8,893,540	\$ 6,895,900	\$ 10,096,690	\$ 9,775,070

USE OF RECLAIMED WATER SAVES DRINKING WATER

Tucson Water is one of the nation's pioneers in the study and use of reclaimed water. Its reclaimed water facilities near Prince Road and Interstate 10 have been producing reclaimed water by filtering and disinfecting treated wastewater for more than 20 years. Reclaimed water is distributed through an 100-mile network of transmission mains to a variety of customers who use the water to irrigate turf and other landscaping, thus eliminating their use of groundwater for irrigation. Today, more than 260 sites are using reclaimed water, including 4 City of Tucson golf courses, 10 private golf courses, 27 city parks, 39 schools, and nearly 400 single-family homes.

OTHER BUDGETARY REQUIREMENTS

Other Budgetary Requirements is an organization that provides budget capacity for various expenses not associated with specific programs within Tucson Water, including General Expense, Administrative Service Charges, Private Water Company Contract Payments, Debt Service: Water Revenue Bonds, and Central Arizona Project capital repayment.

DESCRIPTION

Other Budgetary Requirements includes the following expenses:

General Expense

Various expenses that benefit the entire department and that are not directly associated with any one operating program or with the direct cost of supplying water to customers. Expenses in this area include:

- Sales taxes on water, paid by customers in their water bill, which Tucson Water passes through to the taxing authority (city or state)
- Building management services for the Water Administration Building
- Utilities for the Water Administration Building
- Other miscellaneous expenses

Administrative Service Charges

Administrative support charges from other city departments (Procurement, Environmental Services, Information Technology, Budget and Research, etc.).

Private Water Company Contract Payments

Debt service on private water company acquisitions.

Debt Service: Water Revenue Bonds

The principal, interest, and fiscal agent fees on the utility's bonded debt.

Central Arizona Project: Capital Charges

The required payment to Central Arizona Water Conservation District (CAWCD) for Central Arizona Project infrastructure.

Other Budgetary Requirements (Continued)

	RESOURCE SUMMARY				
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Financial Resources					
Water Revenue and Operations Fund	\$ 44,348,222	\$ 48,331,290	\$ 48,345,860	\$ 47,504,180	\$ 50,460,500
Water Revenue and Operations Fund: Certificates of Participation	-0-	-0-	-0-	1,300,000	1,180,000
Central Arizona Project Reserve Fund	1,272,167	1,488,000	1,488,000	1,488,000	1,488,000
	<hr/>				
Financial Resources Total	\$ 45,620,389	\$ 49,819,290	\$ 49,833,860	\$ 50,292,180	\$ 53,128,500
	<hr/>				

WATER DEPARTMENT FLOW OF FUNDS PER ORDINANCE NO. 6347

	AMOUNT
REVENUES FOR OPERATIONS AND DEBT SERVICE	
Sale of Potable Water	\$ 101,982,000
Sale of Reclaimed Water	6,152,000
CAP Reserve Fund Revenues	1,488,000
Connection Fees	3,200,000
Plan Review/Inspection Fees	1,200,000
Sales and Utility Tax	10,280,000
Operating Fund Interest Earnings	1,044,000
Miscellaneous Revenue	1,764,000
Billing Services	1,877,000
Water System Equity Fees	6,933,000
Tucson Airport Remediation Project Reimbursement	933,000
Area Development Fees	939,000
	<hr/>
Total Revenues for Operations and Debt Service	\$ 137,792,000
OTHER SOURCES	
Use of Metropolitan Water Company Reserve Account	\$ 414,000
Capital Grants	500,000
Miscellaneous Operating Grants	150,000
CAP Reserve Fund Interest	11,000
Miscellaneous Non-revenue Sources (certificates of participation)	1,300,000
	<hr/>
Total Other Sources	\$ 2,375,000
Total Budgeted Revenues and Other Sources	\$ 140,167,000
OPERATIONS AND MAINTENANCE EXPENSE	
Director's Office (excluding grants)	\$ 4,975,180
Business Services	4,046,840
Customer Services	5,912,190
Water Operations (excluding CAP water purchases and power)	16,175,540
Water Quality Management (excluding power)	8,747,010
Planning and Engineering	6,780,920
CAP Water (capital and commodity charges)	8,687,540
Power	12,983,920
Sales and Utility Taxes	10,280,000
General Expense	2,011,090
Capitalized Operations and Maintenance Expense	(5,000,000)
	<hr/>
Total Operations and Maintenance Expense	\$ 75,600,230

WATER DEPARTMENT FLOW OF FUNDS PER ORDINANCE NO. 6347**AMOUNT****DEBT SERVICE ON WATER REVENUE BONDS**

Interest	\$ 17,245,000	
Principal	11,417,000	
Fiscal Fees	<u>60,000</u>	
Total Debt Service on Water Revenue Bonds		\$ 28,722,000

OTHER USES

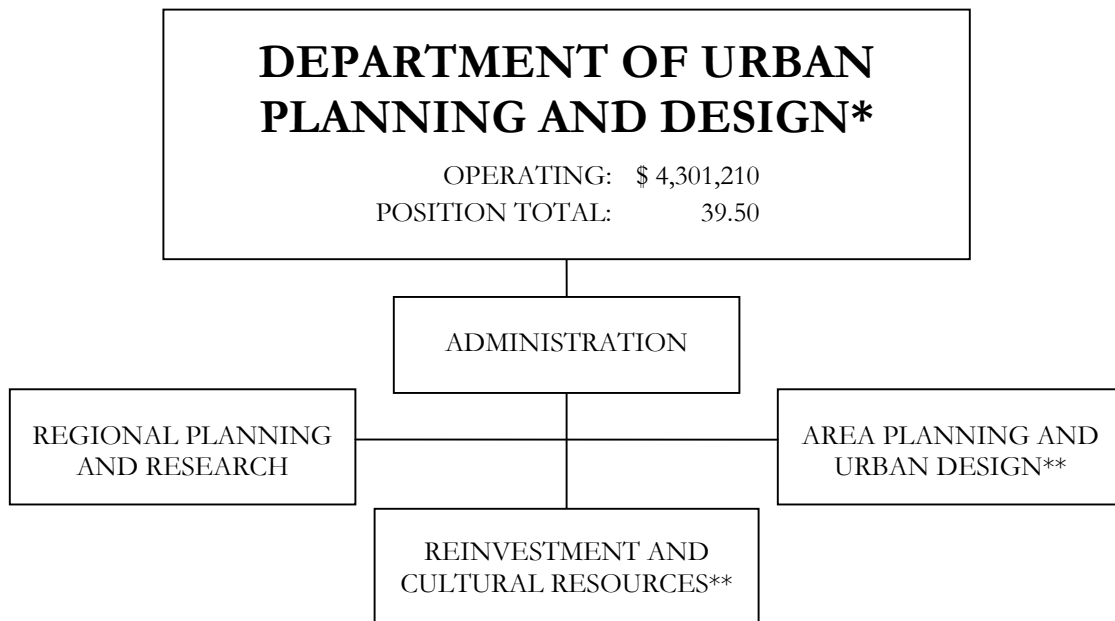
Capital Outlay		
Improvements from Revenues and Grants	17,717,000	
Capitalized Operations and Maintenance Expense	5,000,000	
Improvements from Central Arizona Project Reserve Fund	11,000	
Capitalizable Equipment	<u>1,950,000</u>	
Total Capital Outlay		\$ 24,678,000
Private Water Company Contract Payments	414,000	
Miscellaneous Grants	150,000	
Administrative Service Charge (Direct and Indirect Charges)*	7,765,050	
Bond Issuance Costs	188,000	
Funding of Reclaimed Loan Revolving Fund	200,000	
Increase to Utility Working Capital	<u>2,449,720</u>	
Total Other Uses		\$ 11,166,770
Total Expenses, Debt Service, and Other Uses		\$ 140,167,000

Debt Service Coverage

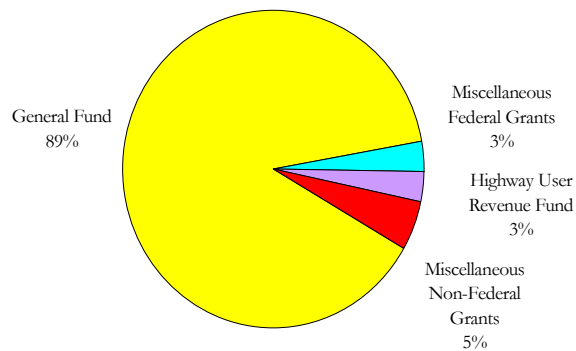
Total Revenues for Operations and Debt Service	\$ 137,792,000	
Less Total Operating and Maintenance Expense	<u>(75,600,230)</u>	
Net Revenues after Operations		\$ 62,191,770
Total Debt Service on Water Revenue Bonds (excluding fiscal fees)		\$ 28,662,000
Debt Service Coverage		217%

Ordinance No. 6347 requires the utility to maintain rates at a level resulting in annual net revenues available after operations of at least 120% of the annual total bond debt service (excluding fiscal fees). An additional ordinance covenant requires the utility to make deposits to a reserve fund should such coverage fall below 175%. In response to the ordinance requirements and to achieve lower interest rates on bonds, Mayor and Council have established an annual debt service coverage policy of 175%.

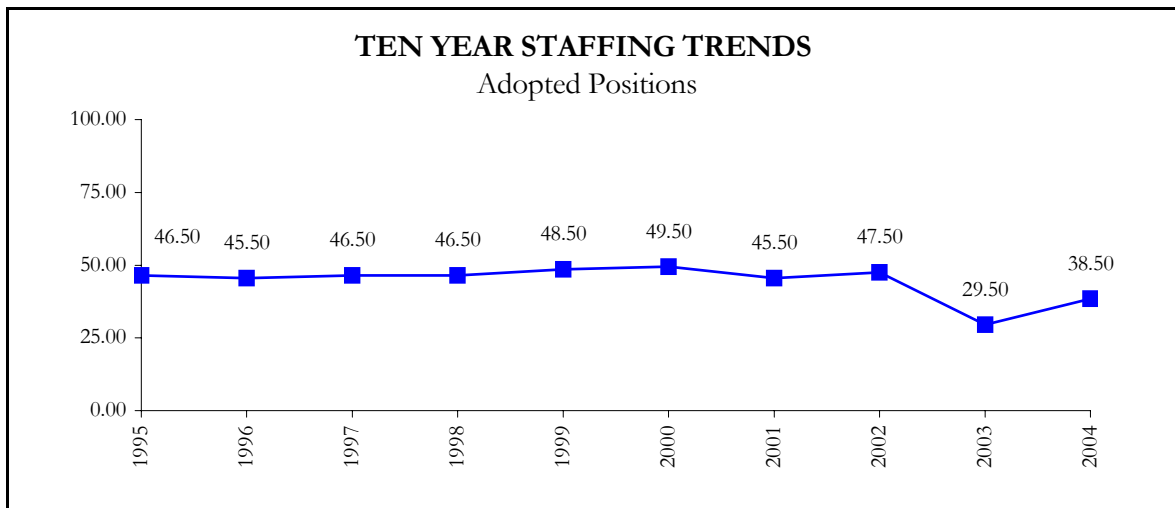
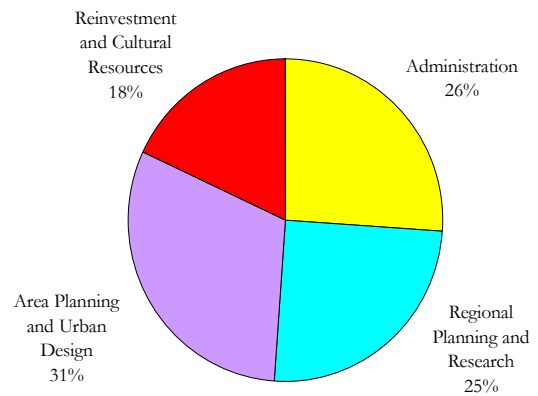
*This includes \$4,778,670 of indirect administrative charges and \$2,986,380 of direct support costs from other city departments.



FINANCING PLAN



PROGRAM ALLOCATION



*The Comprehensive Planning Task Force was renamed the Department of Urban Planning and Design in March 2004.

**New divisions were established based on a department reorganization in Fiscal Year 2004.

URBAN PLANNING AND DESIGN

MISSION STATEMENT: To enhance the quality of life in Tucson through stewardship, community partnerships, education, communication, and innovative planning approaches to guide the city's future.

Urban Planning and Design is committed to a planning and design renaissance that makes Tucson a city recognized as a model for attractive urban development, cultural and historic preservation, and environmental integrity. The department consists of four divisions: Administration, Regional Planning and Research, Area Planning and Urban Design, and Reinvestment and Cultural Resources. The department is committed to ongoing citizen participation, education, dialogue and partnerships with all community stakeholders. The department employs innovative technologies and urban planning approaches to create a more livable city. Teamwork, open communication, and follow-up to achieve objectives characterize our work. The department is results-oriented and focused on analysis-based solutions to urban issues. The organization is proactive and adaptable and readily shifts resources to address unforeseen issues and emerging trends. The department is committed to the stewardship of Tucson's economic, environmental and cultural resources. Through pride in, and commitment to their work, department staff is actively pursuing development of a more sustainable city for today's residents and future generations.

The department is comprised of a multidisciplinary team organized into six workgroups:

- Area Planning
- Urban Design and Code Development
- Regional and Strategic Planning
- Research and Analysis
- Infill and Reinvestment
- Historic and Cultural Resources

Urban Planning and Design is heavily involved in implementing the City Strategic Plan and is charged with leading the *Growth* focus area. The *Growth* focus area states that the city will elevate long range, comprehensive planning to the highest level priority for the City of Tucson. The department is responsible for a variety of projects in the Strategic Plan including the cost of service/impact fee study, the Houghton Area Master Plan, corridor studies, downtown redevelopment planning, conservation and habitat planning, annexation, and urban design guidelines.

Urban Planning and Design seeks to build effective relationships with citizens, other governments, and the private sector by identifying solutions to challenges within each of the city's growth areas. Emphasis is on implementation of the General Plan approved by voters in November 2001.

The department addresses planning needs of the community while engaging citizens of Tucson in dialogue on key issues.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Better Alternatives to Automobile Transportation

Urban Planning and Design, together with community representatives, promotes alternate modes of transportation through Major Streets and Routes Plan revisions, neighborhood and area planning, and Tucson General Plan policies. The Growth Area element of the Tucson General Plan contains policies promoting alternative modes of travel, through mode choice by the public and through land development patterns.



Goal: Engaged Community and Responsive Government

Urban Planning and Design is involved in outreach to the community regarding long range planning issues. Integral to the department's outreach are its informative and highly used Web site (4,000 hits per month) and a comprehensive set of bilingual information brochures.



Goal: Safe Neighborhoods

Tucson General Plan policies emphasize the design of neighborhoods and developments to create safe neighborhoods. Through the application and development of planned growth design concepts and models, the department, in cooperation with the Tucson Police Department, supports "safe by design" principles.



Goal: Infill and Reinvestment, Not Urban Sprawl

The Tucson General Plan's Growth, Land Use, and Community Character and Design Elements encourage sustainable infill development, which preserves and enhances existing neighborhoods. Through the application of land use codes, area and neighborhood plans provide land use stability for property owners to reinvest in the city.



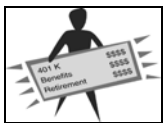
Goal: Abundant Urban Green Space and Recreation Areas

Through implementation of the Parks, Recreation, Open Space, and Trails Element of the General Plan, urban green space and recreation areas are evaluated. The department will communicate the city's green space and recreation goals to the State Land Department and their consultants for inclusion in future land dispositions and development plans.



Goal: Protected Natural Desert Environment

Urban Planning and Design supports protection of the natural desert environment through efforts to improve wash/greenway preservation. Staff works cooperatively with engineering staff to map and designate washes in undeveloped areas of the city for protection of natural riparian resources.



Goal: Strong Local Business

The department will provide results of research and socioeconomic information vital to the development of business plans and financial applications to assist citizens seeking to develop or expand small business. Staff will conduct research and develop strategies to support economic development in the city. Staff will also continue to update the Web site to provide current socioeconomic information.

Support for Livable Tucson Goals (Continued)



Goal: People-Oriented Neighborhoods

The department supports people-oriented neighborhoods and neighborhood planning processes by working with property owners and residents to develop policy direction specific to the future of their neighborhoods. Though the development of design guidelines to ensure balanced growth, infrastructure needs, such as streets and sidewalks, will be incorporated to further enhance neighborhoods.



Goal: Respected Historic and Cultural Resources

The Tucson General Plan's Cultural Heritage Element encourages the protection and enhancement of Tucson's cultural heritage and unique identity, and the expansion of the scope of urban experiences for residents and visitors to enjoy. By combining like resources, a more comprehensive approach will be taken to pursue and enhance elements such as historic preservation and the architectural character of local historic districts. The Historic and Cultural Resources section serves as the point-of-contact for the public regarding historic preservation issues and information and provides policy direction for city activities taking place in historic neighborhoods or areas of archaeological sensitivity. Activities include informing and educating a variety of audiences about historic preservation in Tucson, reviewing city projects for compliance with federal and state regulations, developing and administering cultural resource protection policies and programs, obtaining funding for preservation projects, facilitating the listing of historic resources on the National Register of Historic Places, and working with non-profit groups and developers to interpret Tucson's history through new museums and attractions, programs, and other activities.



Goal: Successful Downtown

The department provides support to the Rio Nuevo downtown revitalization project and oversees a variety of downtown improvement projects including the improvement of gateway corridors to downtown and the Tucson Origins project. The department assists property owners in obtaining funding and completing appropriate improvements to downtown historic buildings; works with non-profit groups and developers wishing to interpret Tucson's history; collaborates with city departments whose projects affect downtown historic resources; and works on increasing the supply of downtown housing.

URBAN PLANNING AND DESIGN**DEPARTMENT RESOURCES**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Administration	6.00	6.00	7.50	7.50	7.50
Regional Planning and Research	18.00	19.00	10.00	10.00	10.00
Area Planning and Urban Design*	13.50	13.50	14.00	15.00	15.00
Reinvestment and Cultural Resources*	-0-	-0-	7.00	7.00	7.00
Permanent Total	37.50	38.50	38.50	39.50	39.50
NON-PERMANENT					
Regional Planning and Research	1.00	-0-	-0-	-0-	-0-
Non-Permanent Total	1.00	-0-	-0-	-0-	-0-
Department Total	38.50	38.50	38.50	39.50	39.50

FINANCIAL SUMMARY

Administration	\$ 749,907	\$ 1,202,610	\$ 1,113,710	\$ 1,089,610	\$ 1,119,480
Regional Planning and Research	1,511,243	1,505,230	1,505,230	1,076,790	1,352,440
Area Planning and Urban Design*	983,009	1,054,400	1,054,400	1,346,410	1,415,210
Reinvestment and Cultural Resources*	13,596	210,000	210,000	788,400	825,910
Zoning Administration and Compliance**	229	-0-	-0-	-0-	-0-
Department Total	\$ 3,257,984	\$ 3,972,240	\$ 3,883,340	\$ 4,301,210	\$ 4,713,040

CHARACTER OF EXPENDITURES

Personal Services	\$ 2,744,539	\$ 3,022,420	\$ 2,921,420	\$ 3,110,510	\$ 3,389,770
Services	417,050	722,890	734,990	942,790	1,050,320
Commodities	109,615	90,380	90,380	90,830	90,870
Equipment	-0-	5,320	5,320	5,320	5,320
Inter-Activity Transfers	(13,220)	131,230	131,230	151,760	176,760
Department Total	\$ 3,257,984	\$ 3,972,240	\$ 3,883,340	\$ 4,301,210	\$ 4,713,040

*New divisions established based on department reorganization in Fiscal Year 2004.

**Zoning Administration and Compliance was transferred to Development Services in Fiscal Year 2003.

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
SOURCE OF FUNDS					
General Fund	\$ 3,135,508	\$ 3,551,990	\$ 3,463,090	\$ 3,823,580	\$ 4,276,660
Miscellaneous Federal Grants	6,878	80,000	80,000	130,000	80,000
Highway User Revenue Fund	108,880	130,250	130,250	137,630	146,380
Miscellaneous Non-Federal Grants	6,718	210,000	210,000	210,000	210,000
Department Total	\$ 3,257,984	\$ 3,972,240	\$ 3,883,340	\$ 4,301,210	\$ 4,713,040

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$4,301,210 reflects an increase of \$328,970 from the Fiscal Year 2004 Adopted Budget. This increase expands on efforts begun in Fiscal Year 2004 in various focus areas of the City Strategic Plan. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, and coverage for health insurance and pension increases.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$4,713,040 includes an increase of \$411,830 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance and pension increases.

ADMINISTRATION

MISSION STATEMENT: The Administration Division provides management direction and support to the other three divisions; oversees department operations, objectives and community outreach; promotes sound land use administration; and provides professional planning advice to the Mayor and Council and City Manager.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Foster citizen participation in planning processes through public meetings and hearings.					
• Number of meetings held	20	20	20	24	24
Provide training programs for staff in the areas of professional planning practices.					
• Number of trainings attended by staff	42	49	49	55	55
Provide staff support for various boards, committees, and commissions related to planning issues.					
• Number of Planning Commission meetings	12	12	12	12	12
• Number of Mayor and Council Growth Subcommittee Meetings	9	12	12	12	12
• Number of Landscape Advisory Committee Meetings	-0-	12	12	12	12
Make presentations to the community on planning issues.					
• Number of presentations	16	57	57	75	75
Manage projects in the City Strategic Plan.					
• Number of projects	18	18	18	18	18
Key Outcomes					
Percent of citizens rating the quality of land use, planning, and zoning in Tucson as good or excellent on the International City Manager's Association (ICMA) Resident Survey.	19%	25%	25%	25%	25%

RESOURCE SUMMARY

Position Resources	6.00	6.00	7.50	7.50	7.50
Financial Resources					
General Fund	\$ 749,907	\$ 1,202,610	\$ 1,113,710	\$ 1,089,610	\$ 1,119,480

REGIONAL PLANNING AND RESEARCH

MISSION STATEMENT: The Regional Planning and Research Division conducts policy analysis, strategic planning and research in support of comprehensive city planning efforts. The division is responsible for annexation and the coordination of regional planning issues. The division maintains demographic, economic, land use and real estate information concerning urban growth and development of the Tucson region, and maintains a geographic information center in support of department and citywide programs.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Develop reports, presentations, and communications related to planning and policy issues for the City Manager's Office and the Mayor and Council.	N/A	N/A	15	15	15
Provide demographic, economic, and land use data in response to information requests.					
• Number of requests	N/A	N/A	2,210	2,210	2,210
Prepare the " <i>Tucson Update</i> " publication.	N/A	N/A	12	12	12
Produce maps, charts, and graphic displays.	N/A	N/A	215	215	215
Develop visual computer models (Community Viz) to assist in analyzing proposed projects and land uses.					
• Number of projects	N/A	N/A	3	7	9
• Number of presentations	N/A	N/A	10	12	14
Key Outcomes					
Annex new areas into the city limits.					
• Size of the city (square miles)	N/A	N/A	226.13	227.00	228.00
• Population of the city	N/A	N/A	522,850	532,350	543,902
Provide demographic and planning information to increase citizen involvement.					
• Average number of contacts with Web page	N/A	N/A	48,000	48,000	48,000

URBAN PLANNING AND DESIGN

Regional Planning and Research (Continued)

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	19.00	19.00	10.00	10.00	10.00
Financial Resources					
General Fund	\$ 1,402,363	\$ 1,374,980	\$ 1,374,980	\$ 1,076,790	\$ 1,352,440
Highway User Revenue Fund	108,880	130,250	130,250	-0-	-0-
Financial Resources Total	\$ 1,511,243	\$ 1,505,230	\$ 1,505,230	\$ 1,076,790	\$ 1,352,440

AREA PLANNING AND URBAN DESIGN

MISSION STATEMENT: The Area Planning and Urban Design Division develops plans for neighborhoods and areas, and along corridors within the city. The division maintains and updates plans and reviews development applications for compliance with plan policy. The division updates the Land Use Code and is responsible for developing urban design guidelines.

KEY MEASURES OF PERFORMANCE

Key Outputs

Conduct corridor studies to provide guidance for land use capability and to determine future capital improvement needs.

• Number of studies	-0-	1	1	1	1
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Update neighborhood and area plans in order to respond to changing policies and developing trends.

• Number of plans updated	-0-	2	1	1	-0-
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Review rezonings, special exceptions, time extensions, change of concept and change of condition plan(s) to provide conformance to adopted plans.

• Number of reviews	138	70	192	200	200
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Process amendments to neighborhood and area plans in order to respond to property owner and guests.

• Number of plan amendments processed	9	10	6	8	7
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Area Planning and Urban Design (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Coordinate, facilitate, and attend community design academy classes.					
• Number of classes held	N/A	N/A	12	12	12
Key Outcomes					
Conduct master planning in future growth areas in order to guide future land use decisions and promote orderly, economically sustainable development patterns.					
• Number of plans completed	-0-	1	1	-0-	1
Revise the land use code in order to comply with general plan policy and current community needs.					
• Number of code amendments	2	2	5	4	4

RESOURCE SUMMARY

Position Resources	13.50	13.50	14.00	15.00	15.00
Financial Resources					
General Fund	\$ 983,009	\$ 974,400	\$ 974,400	\$ 1,134,430	\$ 1,248,640
Highway User Revenue Fund	-0-	-0-	-0-	81,980	86,570
Miscellaneous Federal Grants	-0-	80,000	80,000	130,000	80,000
Financial Resources Total	\$ 983,009	\$ 1,054,400	\$ 1,054,400	\$ 1,346,410	\$ 1,415,210

REINVESTMENT AND CULTURAL RESOURCES

MISSION STATEMENT: The Reinvestment and Cultural Resources Division promotes infill development, rehabilitation, and reuse in areas of need and/or opportunity through focused incentives, project assistance and innovative planning approaches. The division also provides information and technical assistance about Tucson's varied and significant cultural resources; develops and administers cultural resource policies; and collaborates with community organizations, educational institutions, and other city departments to enhance the quality of life in Tucson. This is accomplished by creating collaborative relationships with the community and the public/private sectors and through a balanced and thoughtful approach to the treatment of our community's historic and cultural resources.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Inform and educate residents of historic neighborhoods, the general public, business and civic groups, elected officials, and city departments about historic preservation in Tucson.					
• Number of presentations, articles, videos, and brochures	12	12	12	12	12
Conduct historic resource surveys in neighborhoods that appear to be eligible for listing on the National Register of Historic Places.	2	2	1	1	1
Review city projects for compliance with state and federal historic preservation regulations and requirements.	279	240	300	300	300
Provide technical assistance to developers, property owners, and non-profit organizations with the rehabilitation and reuse of historic properties.					
• Number of groups assisted	10	5	10	5	5
Provide focused incentives and project assistance for infill and redevelopment in target areas and sites.					
• Number of targeted sites	2	4	2	5	8
Create collaborative relationships with the community and other public/private entities to promote innovative planning approaches for reinvestment in transitioning areas.					
• Number of projects	2	3	2	5	8

Reinvestment and Cultural Resources (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Streamline procedures and remove obstacles to reinvestment in our community.					
• Conduct a Land Use Code Audit	1	1	1	1	1
Key Outcomes					
Preserve significant cultural resources by listing historic districts on the National Register of Historic Places and by developing other means of protecting cultural resources.					
• Number of new historic districts	1	2	3	2	-0-
• Cultural resource protection policies or programs developed and implemented	1	2	2	2	2
Undertake activities that capitalize and encourage public/private investment in opportunity areas.					
• Dollars invested (\$000's)	\$ 750	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Promote infill development, rehabilitation, and reuse that contribute positively to city neighborhoods and overall community goals.					
• Develop a Reinvestment Strategies document	1	1	2	2	2

RESOURCE SUMMARY

Position Resources	-0-	-0-	7.00	7.00	7.00
Financial Resources					
General Fund	\$ -0-	\$ -0-	\$ -0-	\$ 522,750	\$ 556,100
Highway User Revenue Fund	-0-	-0-	-0-	55,650	59,810
Miscellaneous Federal Grants	6,878	-0-	-0-	-0-	-0-
Miscellaneous Non-Federal Grants	6,718	210,000	210,000	210,000	210,000
Financial Resources Total	\$ 13,596	\$ 210,000	\$ 210,000	\$ 788,400	\$ 825,910

ZONING ADMINISTRATION AND COMPLIANCE*

RESOURCE SUMMARY

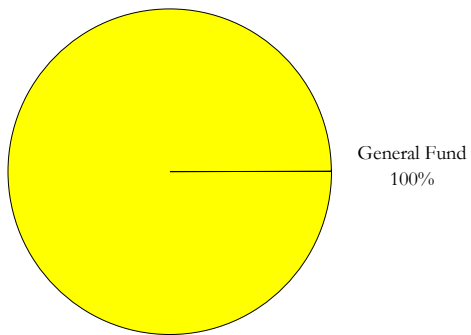
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	-0-	-0-	-0-	-0-	-0-
Financial Resources					
General Fund	\$ 229	\$ -0-	\$ -0-	\$ -0-	\$ -0-

*Zoning Administration and Compliance was transferred to Development Services in Fiscal Year 2003.

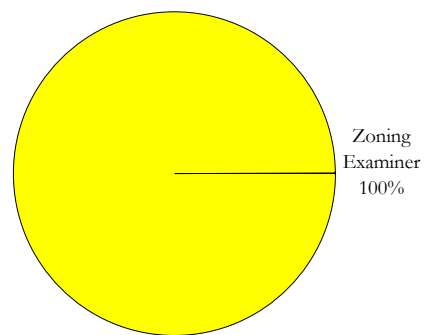
ZONING EXAMINER

OPERATING: \$ 179,310
POSITION TOTAL: 2.00

FINANCING PLAN

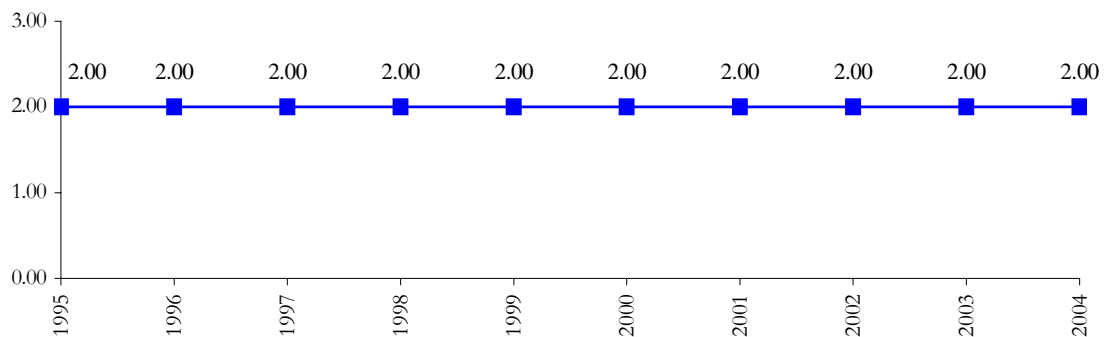


PROGRAM ALLOCATION



TEN YEAR STAFFING TRENDS

Adopted Positions

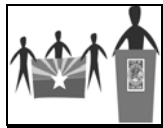


ZONING EXAMINER

MISSION STATEMENT: To provide independent and professional review and analysis of zoning and land use changes, and stolen property dispositions. The Zoning Examiner, a quasi-judicial officer, holds code-mandated public hearings on behalf of the Mayor and Council to obtain citizen input, conducts analysis of zoning and land use issues, renders decisions, and makes recommendations to the Mayor and Council. The purpose of these efforts is to provide for orderly, efficient, and quality land development.

In accordance with the Tucson City Charter, the City Manager retains hiring authority for and the reporting responsibility over the Zoning Examiner.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Engaged Community and Responsive Government

The Zoning Examiner provides a forum for public hearings that foster citizen expression and involvement in development and land uses issues. Citizen input is considered in decisions and recommendations to the Mayor and Council.

OFFICE RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
PERMANENT					
Zoning Examiner	2.00	2.00	2.00	2.00	2.00
Total	2.00	2.00	2.00	2.00	2.00

FINANCIAL SUMMARY

Zoning Examiner	\$ 158,848	\$ 167,500	\$ 168,500	\$ 179,310	\$ 191,750
Total	\$ 158,848	\$ 167,500	\$ 168,500	\$ 179,310	\$ 191,750

CHARACTER OF EXPENDITURES

Personal Services	\$ 152,566	\$ 159,570	\$ 160,570	\$ 172,350	\$ 184,400
Services	2,684	5,580	5,580	4,610	5,000
Commodities	3,598	2,350	2,350	2,350	2,350
Total	\$ 158,848	\$ 167,500	\$ 168,500	\$ 179,310	\$ 191,750

SOURCE OF FUNDS

General Fund	\$ 158,848	\$ 167,500	\$ 168,500	\$ 179,310	\$ 191,750
Total	\$ 158,848	\$ 167,500	\$ 168,500	\$ 179,310	\$ 191,750

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$179,310 reflects an increase of \$11,810 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases.

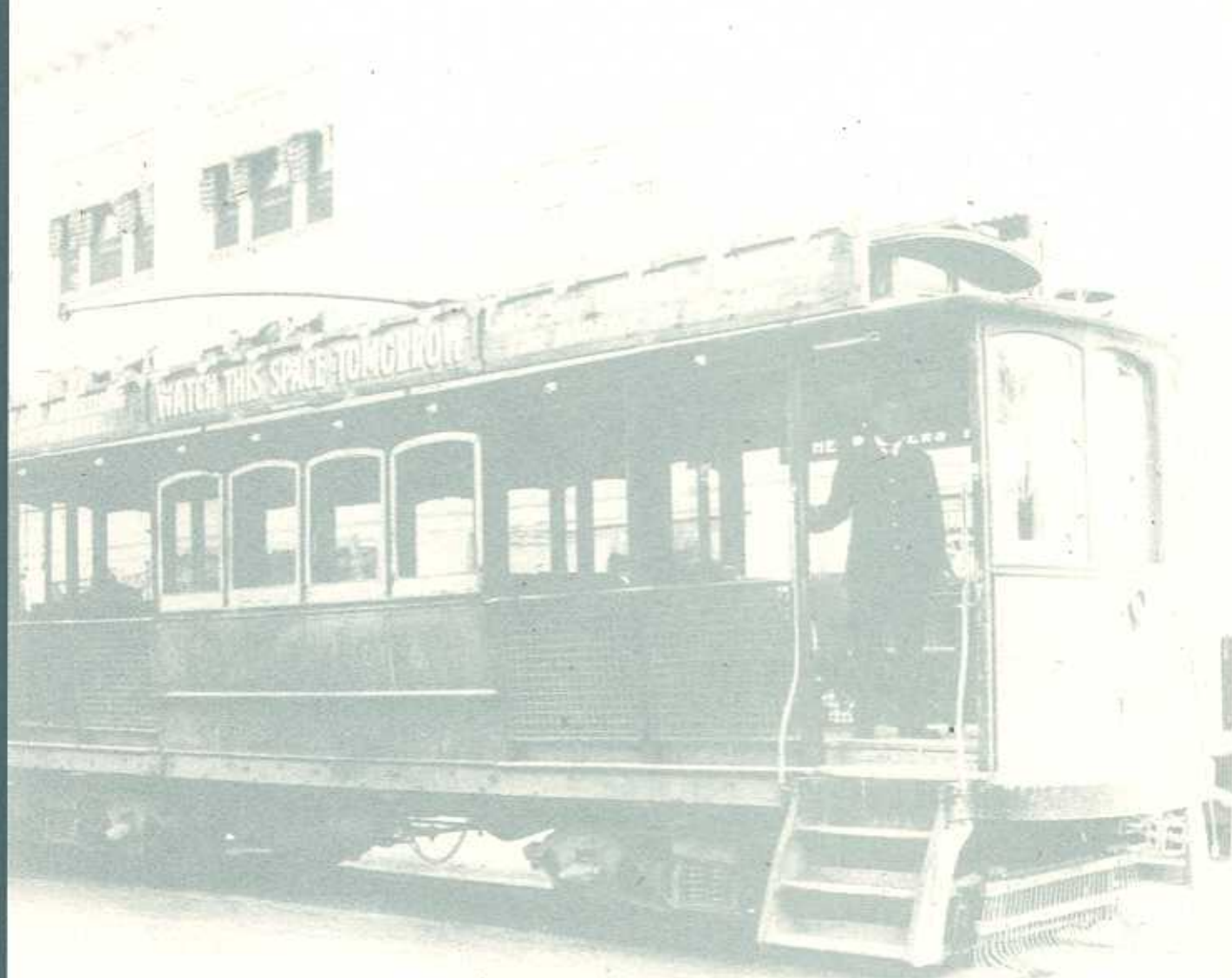
Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$191,750 includes an increase of \$12,440 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Hold public hearings, render decisions, and make recommendations to the Mayor and Council related to zoning and land use, and stolen property disposition.					
• Number of rezoning cases	28	44	30	35	40
• Number of zoning appeal cases	-0-	2	1	2	2
• Number of special exception land use cases	10	20	18	18	20
• Number of stolen property disposition cases	15	28	26	26	26
• Number of liquor license extension of premise cases	N/A	N/A	20	20	20
Key Outcomes					
Hold timely, orderly, fair, and impartial hearings, obtain citizen input for inclusion in the decision making process, and render decisions, and make recommendations that are professional, independent, and based on findings of fact.					
• Number of hearings	53	94	95	101	108

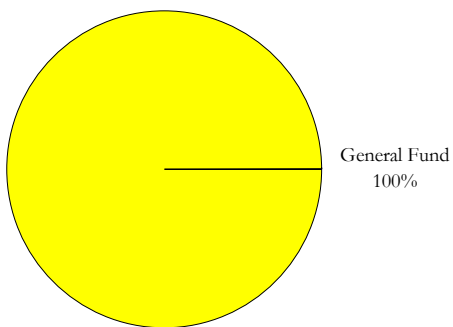
STRATEGIC INITIATIVES



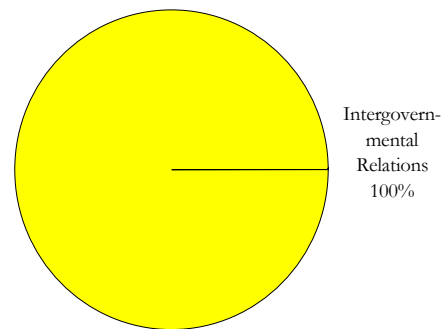
INTERGOVERNMENTAL RELATIONS

OPERATING: \$ 555,260
POSITION TOTAL: 2.00

FINANCING PLAN

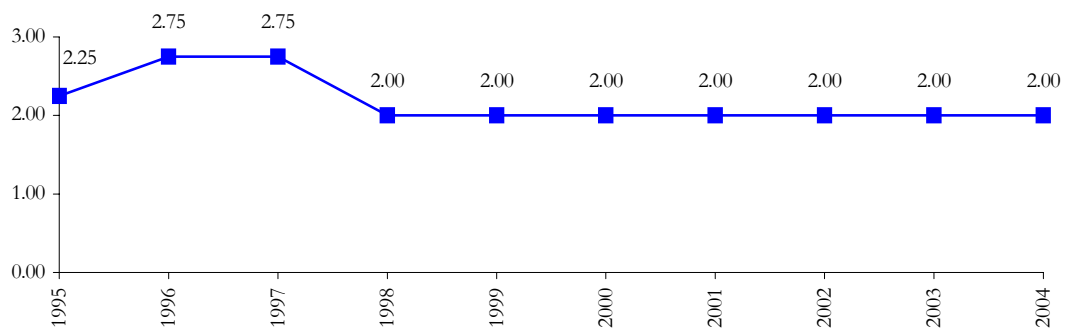


PROGRAM ALLOCATION



TEN YEAR STAFFING TRENDS

Adopted Positions



INTERGOVERNMENTAL RELATIONS

MISSION STATEMENT: To develop, represent, and advocate the interests of the City of Tucson by fostering and maintaining the city's relationship with other governmental entities on the local, state, and federal levels.

In accordance with the Tucson City Charter, the City Manager retains hiring authority for and the reporting responsibility over Intergovernmental Relations.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Better Alternatives to Automobile Transportation

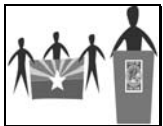
Intergovernmental Relations collaborates with the Pima Association of Governments, the Maricopa Association of Governments, the City of Tucson's Department of Transportation, the Tucson Chamber of Commerce, the Tucson Regional Transportation Coalition, the Regional Public Transportation Authority, the Arizona League of Cities and Towns, the City of Phoenix, and private industry leaders to ensure that the City of Tucson receives its fair share of transportation funding at the state level and that transportation state-shared revenue funding is not eliminated or reduced. During Fiscal Year 2004, the office also gave support to the region's efforts to get state laws to allow for the Pima County Regional Transportation Authority and Excise Tax.

Intergovernmental Relations works with the congressional delegation, the City of Tucson's Transportation Department, Pima Association of Governments, and other Arizona associations of government's private industry to ensure that the City of Tucson and the region will receive markedly increased federal funding in the upcoming reauthorization of the federal transportation bill, Transportation Equity Act for the Twenty-first Century (TEA-21). Infrastructure projects needed for downtown and international trade development are being pursued. Intergovernmental Relations also works with federal consultants to ensure that important transportation projects such as the Rail Road Safety and Access Initiatives receive adequate funding.



Goal: Safe Neighborhoods

Intergovernmental Relations has been working with federal consultants and the National League of Cities and Towns to ensure that our community has adequate public safety infrastructure to meet the heightened safety requirements of our times. The cost of preparedness will be nearly \$100 million which includes \$80 million for emergency communications, \$12 million for public safety, and \$3 million for drinking water safety. The office has also worked with the congressional delegation and state legislative leaders to ensure that dollars and policies are in place to ensure downtown housing and development initiatives can prosper. Federal legislation was secured to insure that city-owned land in the downtown area could qualify for Brownfields rehabilitation dollars.



Goal: Engaged Community and Responsive Government

Intergovernmental Relations advocates for issues that arise in direct response to community needs. The advocacy process engages the community in the form of coalitions and collaborations around the points of the legislative program adopted annually by the Mayor and Council. Each City of Tucson department is a collaborator in the development and advocacy of the legislative program. In addition, Intergovernmental Relations works with governmental entities and other agencies to secure policies, initiatives, laws, and funding beneficial to the community. Intergovernmental Relations also provides information to the community regarding the state and federal legislative process.

INTERGOVERNMENTAL RELATIONS

Support for Livable Tucson Goals (Continued)



Goal: Caring, Healthy Families and Youth

Intergovernmental Relations collaborates with Pima County and Arizona cities to secure the continuation of state and federal funding for City of Tucson and Pima County summer youth employment programs. Intergovernmental Relations also works with federal consultants to ensure that federal programs relating to youth and families are adequately funded. The Mayor and Council have supported the Governor's budget priorities as they relate to children, youth, and families. Intergovernmental Relations monitors and provides legislative staff assistance when needed in regard to those policies and budget issues.



Goal: Better Paying Jobs

Intergovernmental Relations provides assistance to the Puerto Nuevo Project, an effort to develop an international distribution center surrounding the Tucson International Airport. Intergovernmental Relations is also working closely with the Office of Economic Development to ensure that federal and state opportunities to stimulate and retain better paying jobs are created and implemented. The Empowerment Zone Application, Work Force Investment Act, and similar programs are examples of efforts assisted by Intergovernmental Relations. Davis Monthan Air Force Base (DMAFB) provides over \$1 billion of economic impact to the Tucson metropolitan area. Collaborations with the Office of Economic Development, DMAFB and other Arizona military bases, the Governor's Office, and the City of Glendale are working to ensure that DMAFB and all Arizona military bases remain in the State of Arizona. This is also a crucial public safety issue in light of terrorism events.



Goal: People-Oriented Neighborhoods

Intergovernmental Relations collaborated with cities, neighborhood organizations, and businesses to secure state investment in a Neighborhood Preservation Investment and Initiative proposal.



Goal: Successful Downtown

Intergovernmental Relations works with other jurisdictions and organizations to obtain state and federal funding for downtown redevelopment. This collaboration resulted in the projected \$120 million in public funding and in-kind services for the Rio Nuevo Project. Efforts continue to seek funding for the Tucson Convention Center expansion that will enhance the downtown area. A state legislative committee was created to explore convention center and tourism financing. Intergovernmental Relations was instrumental in placing the Tucson Convention Center's Director on that committee. This year an additional \$60 million of public funding and in-kind services was secured from the state legislature to support tourism industry efforts through the convention center expansion.

OFFICE RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Recommended	
				FY 2005	FY 2006
PERMANENT					
Intergovernmental Relations	2.00	2.00	2.00	2.00	2.00
Total	2.00	2.00	2.00	2.00	2.00

INTERGOVERNMENTAL RELATIONS

Office Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
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FINANCIAL SUMMARY

Intergovernmental Relations	\$ 538,706	\$ 538,190	\$ 541,940	\$ 555,260	\$ 567,480
Total	\$ 538,706	\$ 538,190	\$ 541,940	\$ 555,260	\$ 567,480

CHARACTER OF EXPENDITURES

Personal Services	\$ 172,279	\$ 161,210	\$ 164,960	\$ 179,000	\$ 191,180
Services	391,444	374,650	374,650	373,930	373,970
Commodities	4,983	2,330	2,330	2,330	2,330
Inter-Activity Transfers	(30,000)	-0-	-0-	-0-	-0-
Total	\$ 538,706	\$ 538,190	\$ 541,940	\$ 555,260	\$ 567,480

SOURCE OF FUNDS

General Fund	\$ 538,706	\$ 538,190	\$ 541,940	\$ 555,260	\$ 567,480
Total	\$ 538,706	\$ 538,190	\$ 541,940	\$ 555,260	\$ 567,480

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$555,260 is an increase of \$17,070 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$567,480 is an increase of \$12,220 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

KEY MEASURES OF PERFORMANCE**Key Outputs**

Send proposed state legislation and amendments to Mayor and Council and city departments for review on a timely basis.

• Number of legislative proposals and amendments sent	1,860	1,800	1,750	1,750	1,800
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INTERGOVERNMENTAL RELATIONS

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Provide state legislative status reports to the Mayor and Council about each legislative session.					
• Number of study session presentations	24	16	16	16	16
• Number of written reports	24	16	16	16	16
Prepare a legislative agenda for Mayor and Council adoption.					
• Number of Mayor and Council offices and departments surveyed with regard to legislative programs and agenda items prior to legislative session	32	31	32	32	32
Key Outcomes*					
Ensure passage of legislation beneficial to the City of Tucson and its citizens.					
• Percent passed	62%	85%	70%	70%	70%
Defeat legislation that Mayor and Council believe is harmful to the City of Tucson and its citizens.					
• Percent defeated	80%	90%	80%	80%	80%

*Reduced percentages result from negative impacts of state budget problems.

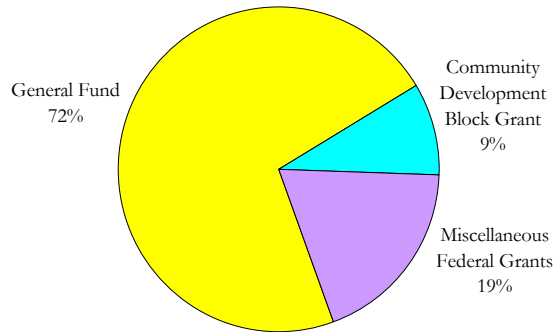
RESOURCE SUMMARY

Position Resources	2.00	2.00	2.00	2.00	2.00
Financial Resources					
General Fund	\$ 538,706	\$ 538,190	\$ 541,940	\$ 555,260	\$ 567,480

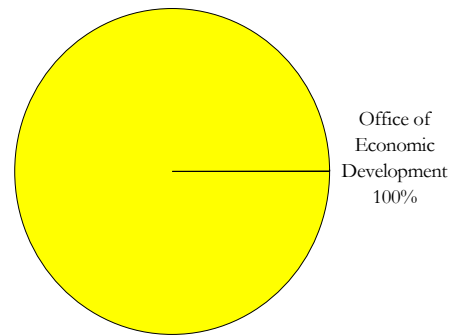
OFFICE OF ECONOMIC DEVELOPMENT

OPERATING: \$ 1,796,380
POSITION TOTAL: 15.50

FINANCING PLAN

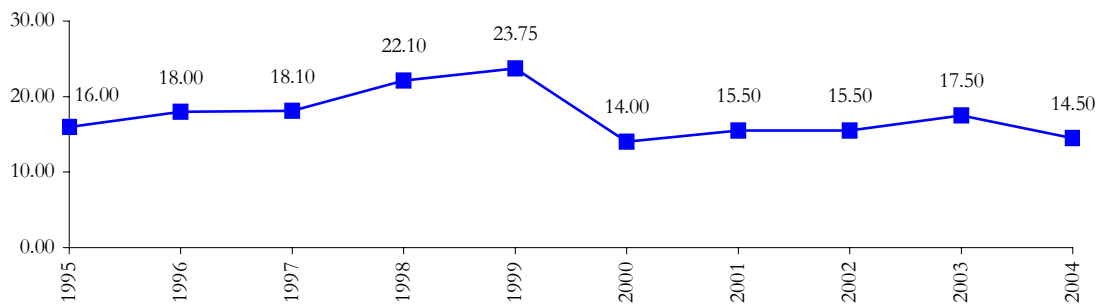


PROGRAM ALLOCATION



TEN YEAR STAFFING TRENDS

Adopted Positions



OFFICE OF ECONOMIC DEVELOPMENT

MISSION STATEMENT: To maintain and expand quality jobs, enhance skills training for local residents, and promote urban revitalization by assisting Tucson businesses.

In accordance with the Tucson City Charter, the City Manager retains hiring authority for and the reporting responsibility over the Office of Economic Development (OED).

OFFICE HIGHLIGHTS

In Fiscal Year 2004, OED's programs impacted 6,248 private sector jobs and resulted in \$29.4 million in private sector capital investments. OED logged over 22,764 customer contracts, either by phone, mail or Web site.

OED's workforce development program facilitated over \$2.0 million in state job training grant awards to local businesses.

OED's Business Learning, Investment, Networking, and Collaboration (LINC) Program recorded 75 new business to business sales contracts exceeding \$3.1 million.

The Tucson Pima Enterprise Zone qualified 3,345 jobs for tax credits totaling over \$3 million.

Commercial building permits valued at \$4.6 million were issued for property in the Tucson Empowerment Zone. Bombardier's new regional service center and Citicorp located within the Empowerment Zone during Fiscal Year 2004.

OED's industrial land Web site, Tucson's Commercial Property Online, has 428 listings with square footage totaling 120,000,000. The site received over 23,000 hits during the year.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Engaged Community and Responsive Government

OED staff participates in neighborhood association meetings and/or public forums. These activities facilitate the delivery of city programs and services to people and businesses at the neighborhood level. Various neighborhood associations use OED equipment for copying, faxing, and other support services. Staff is also available to assist the community in organizing events.



Goal: Infill and Reinvestment, Not Urban Sprawl

OED's Tucson's Commercial Property Online Web site provides easy access to an inventory of land and buildings, encouraging utilization of available incentives. OED is working to encourage and maintain retail development within the City of Tucson. OED is also actively involved with the federally-funded Housing Opportunities for People Everywhere (HOPE) VI projects, assisting with economic development programs for these important redevelopment efforts. The federally designated Tucson Empowerment Zone program, administered locally by OED, encourages infill development by providing federal tax incentives for job creation and capital investment. OED delivers programs, project management and coordination to the Greater Tucson Economic Council (GTEC), the Arizona Department of Commerce (ADOC), and the University of Arizona Science and Technology Park for the recruitment of new companies to Tucson with a focus on downtown and infill locations.

Support for Livable Tucson Goals (Continued)



Goal: Better Paying Jobs

OED delivers programs which directly assist companies in the creation of high wage employment opportunities. OED partners with regional economic development organizations to deliver the City of Tucson's BusinessLINC program, which supports new business-to-business sales opportunities for Southern Arizona businesses. OED assisted in the development of two different industry specific training programs to train citizens for jobs that provide a career ladder for higher wages and benefits.



Goal: Quality Job Training

OED pursues state workforce training grants for local businesses to provide both new employee and incumbent specialized worker training. The office also assists local business organizations with the development of training courses for their employees. OED assisted the Pima Community College's Aviation Center with job training grants to support the start up of an Airframe and Powerplant Mechanics degree program.



Goal: Reduced Poverty and Greater Equality of Opportunity

The Hi-Tech Hi-Wage Program, which provides technical training to local citizens so that they can earn more than a livable wage, receives funding and program assistance from OED. The Southern Arizona Institute of Advanced Technology (SAIAT) provides free remedial math and reading programs for adults, addressing the link between literacy and poverty. OED provides funding and coaching to SAIAT. OED is also working to provide a program to deliver work ethics and job preparation training for residents and employees in the Empowerment Zone.



Goal: Strong Local Business

OED provides direct assistance to businesses including facility locations; access to available government business incentives; and assistance with other city departments, as well as county and state agencies. Additional assistance is targeted specifically towards targeted cluster industry companies and include assessments that identify potential business improvement projects. OED also operates the BusinessLINC program, which increases revenues to local companies by linking them with new sales opportunities.

OED works to encourage strong local business by providing administrative support to the Mayor and Council-appointed Small Business Commission and through the Business Hotline, a 24-hour telephone inquiry service for the community.

OFFICE OF ECONOMIC DEVELOPMENT

OFFICE RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Economic Development	14.00	11.00	11.00	11.00	11.00
Permanent Total	14.00	11.00	11.00	11.00	11.00
NON-PERMANENT					
Economic Development	3.50	3.50	4.50	4.50	4.50
Non-Permanent Total	3.50	3.50	4.50	4.50	4.50
Total	17.50	14.50	15.50	15.50	15.50

FINANCIAL SUMMARY

Economic Development	\$ 1,730,908	\$ 1,748,100	\$ 1,687,270	\$ 1,796,380	\$ 1,850,470
Total	\$ 1,730,908	\$ 1,748,100	\$ 1,687,270	\$ 1,796,380	\$ 1,850,470

CHARACTER OF EXPENDITURES

Personal Services	\$ 1,067,284	\$ 926,840	\$ 922,840	\$ 1,201,830	\$ 1,261,330
Services	604,051	584,850	528,020	538,050	534,820
Commodities	56,236	16,910	16,910	16,910	16,910
Equipment	3,337	-0-	-0-	-0-	-0-
Inter-Activity Transfers	-0-	219,500	219,500	39,590	37,410
Total	\$ 1,730,908	\$ 1,748,100	\$ 1,687,270	\$ 1,796,380	\$ 1,850,470

SOURCE OF FUNDS

General Fund	\$ 1,303,045	\$ 1,081,050	\$ 1,020,220	\$ 1,286,430	\$ 1,335,550
Community Development Block Grant Fund	3,565	125,000	125,000	167,900	172,870
Miscellaneous Federal Grants	358,749	542,050	542,050	342,050	342,050
Miscellaneous Non-Federal Grants	65,549	-0-	-0-	-0-	-0-
Total	\$ 1,730,908	\$ 1,748,100	\$ 1,687,270	\$ 1,796,380	\$ 1,850,470

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$1,796,380 reflects an increase of \$48,280 from the Fiscal Year 2004 Adopted Budget. An addition of \$200,000 for BusinessLINC (Learning, Investment, Networking and Collaboration) is offset by a reduction in federal grant capacity. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$1,850,470 includes an increase of \$54,090 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

KEY MEASURES OF PERFORMANCE

Key Outputs

Assist businesses from targeted industries with retention, expansion, and location within the City of Tucson.

• Number of businesses assisted	1,086	225	1,000	1,000	1,000
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Respond to general business inquiries from the Business Hotline, e-mails, walk-ins, mail, etc.

• Number of responses	3,473	3,000	3,200	3,200	3,200
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Key Outcomes

Assist businesses in creating and retaining quality jobs for city residents.

• Number of jobs impacted	11,367	1,300	6,000	5,000	5,000
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Assist companies in receiving training grants, tax credits, and/or increased sales.

• Dollar amount of cost savings (\$000s)	\$ 64,709	\$ 6,500	\$ 18,000	\$ 25,000	\$ 25,000
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TUCSON CONVENTION CENTER

OPERATING: \$ 10,279,730

CAPITAL: 1,028,000

TOTAL: \$ 11,307,730

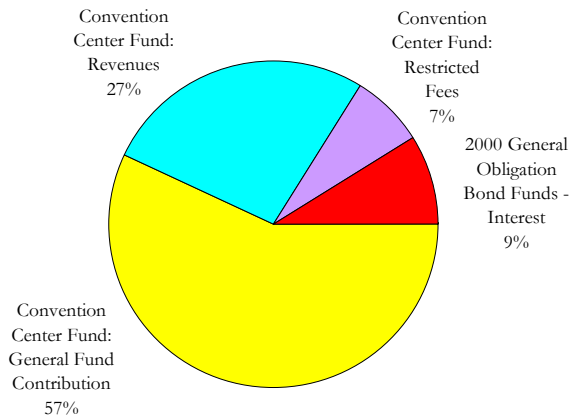
POSITION TOTAL: 61.75

ADMINISTRATION

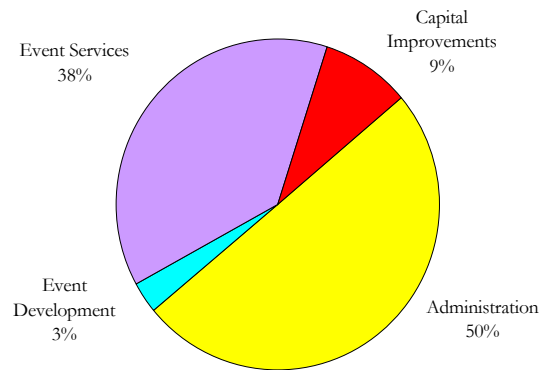
EVENT DEVELOPMENT

EVENT SERVICES

FINANCING PLAN

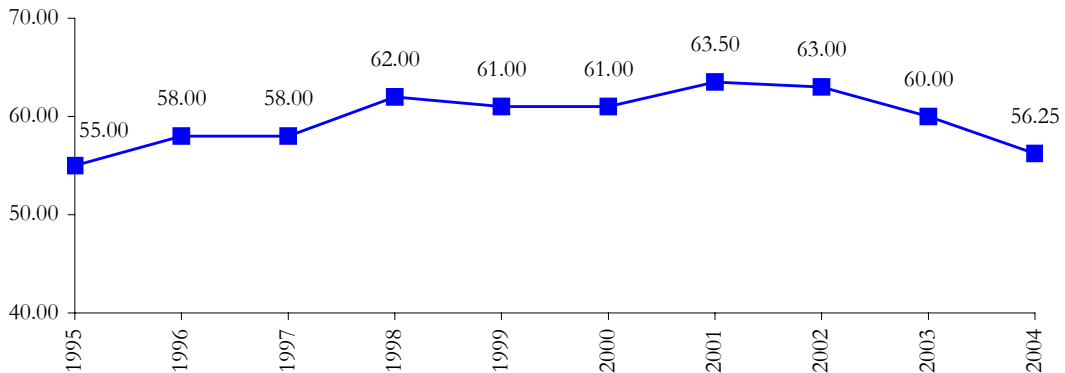


PROGRAM ALLOCATION



TEN YEAR STAFFING TRENDS

Adopted Positions



TUCSON CONVENTION CENTER

MISSION STATEMENT: To create an economic catalyst for our downtown and community through the attraction of convention visitors and community members to our downtown; to provide quality event space and services for our community organizations; entertainment, performing arts, and exhibitions for our community members to attend; and quality management of the City of Tucson's public assembly facilities.

OVERVIEW

The Tucson Convention Center is a multi-purpose complex on a 27-acre campus in downtown Tucson that hosts the largest conventions and trade shows, and the finest entertainment in the city. The Tucson Convention Center offers a total of 205,000 square feet of meeting space in eight rooms with capacities of 50 to 1,000 people per room. The 22,500 square foot Grand Ballroom can be divided into three soundproof rooms and accommodates up to 2,000 guests. The Arena, adjacent to the exhibition space, offers seating for up to 9,700. A courtyard provides space for outdoor activity and leads to the adjacent Music Hall and Leo Rich Theatre, home for many local arts groups. As a prime component of the Rio Nuevo Project, Tucson Convention Center facilities play a vital role in the redevelopment of the downtown area.

DEPARTMENT HIGHLIGHTS

The Tucson Convention Center hosts conventions and meetings that provide major economic impacts to our city. The Waste Management Symposium, American Gem Trade Association, Mariachi Festival, and the Tucson Gem and Mineral Society are examples of our successful conferences.

Public events for our community include major touring concerts and family shows such as Walt Disney on Ice and the Ringling Brothers Barnum and Bailey Circus.

Tucson Convention Center facilities are home to the Tucson Symphony Orchestra, Arizona Opera, Broadway In Tucson, Friends of Chamber Music, and Southern Arizona Home Builders Association Home Shows, and are a gathering and meeting place for many of our local residents.

This past year three of the Tucson Convention Center's long standing clients celebrated significant birthdays. The Arizona Icecats had their twenty-fifth winning season. The Tucson Gem and Mineral show is still rocking after fifty years. The Tucson Symphony Orchestra, one of the cornerstones of performing arts in Arizona, celebrated 75 years of truly great music.

Last year, as the inaugural Rio Nuevo project, a new state of the art ticket office was added to the Tucson Convention Center. Besides providing a better and more up-to-date location for ticket sales, this facility creates an attractive front door for the Arena.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Respected Historic and Cultural Resources

The Tucson Convention Center provides quality event space and services for our community organizations. In this way our facilities embrace the diverse cultures of Tucson.



Goal: Strong Local Businesses

The Tucson Convention Center acts as an economic catalyst for our downtown and community through the attraction of convention visitors and community members to the downtown.



Goal: Successful Downtown

The Tucson Convention Center acts as an economic catalyst for our downtown and community through the attraction of convention visitors and community members to the downtown.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Administration	11.50	11.50	11.50	11.50	11.50
Event Development	2.00	2.00	2.00	2.00	2.00
Event Services	29.50	29.50	27.50	29.25	29.25
Permanent Total	43.00	43.00	41.00	42.75	42.75
NON-PERMANENT					
Administration	8.25	8.25	8.25	9.00	9.00
Event Services	5.00	5.00	7.00	10.00	10.00
Non-Permanent Total	13.25	13.25	15.25	19.00	19.00
Department Total	56.25	56.25	56.25	61.75	61.75

TUCSON CONVENTION CENTER

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
FINANCIAL SUMMARY					
Administration	\$ 1,470,970	\$ 1,908,430	\$ 1,542,430	\$ 5,608,980	\$ 5,705,950
Event Development	235,228	293,370	297,370	331,710	304,320
Event Services	9,076,499	8,678,310	8,685,310	4,339,040	4,520,350
Operating Total	10,782,697	10,880,110	10,525,110	10,279,730	10,530,620
Capital Improvements	33,699	-0-	-0-	1,028,000	-0-
Department Total	\$ 10,816,396	\$ 10,880,110	\$ 10,525,110	\$ 11,307,730	\$ 10,530,620

CHARACTER OF EXPENDITURES

Personal Services	\$ 2,732,503	\$ 2,757,920	\$ 2,822,920	\$ 2,967,500	\$ 3,222,240
Services	7,467,081	7,220,690	7,133,690	6,424,650	6,401,560
Commodities	547,266	251,500	268,500	237,580	256,820
Equipment	35,847	650,000	300,000	650,000	650,000
Operating Total	10,782,697	10,880,110	10,525,110	10,279,730	10,530,620
Capital Improvements	33,699	-0-	-0-	1,028,000	-0-
Department Total	\$ 10,816,396	\$ 10,880,110	\$ 10,525,110	\$ 11,307,730	\$ 10,530,620

SOURCE OF FUNDS

OPERATING FUNDS

Convention Center Fund: General Fund Contribution	\$ 8,096,230	\$ 7,127,040	\$ 7,352,110	\$ 6,459,730	\$ 6,710,620
Convention Center Fund: Revenues	2,373,407	3,003,070	2,773,000	3,070,000	3,070,000
Convention Center Fund: Restricted Fees	313,060	750,000	400,000	750,000	750,000
Operating Funds Total	\$ 10,782,697	\$ 10,880,110	\$ 10,525,110	\$ 10,279,730	\$ 10,530,620

CAPITAL FUNDS

Convention Center Fund: General Fund Contribution	\$ 33,699	\$ -0-	\$ -0-	\$ -0-	\$ -0-
2000 General Obligation Bond Funds - Interest	-0-	-0-	-0-	1,028,000	-0-
Capital Funds Total	\$ 33,699	\$ -0-	\$ -0-	\$ 1,028,000	\$ -0-
Department Total	\$ 10,816,396	\$ 10,880,110	\$ 10,525,110	\$ 11,307,730	\$ 10,530,620

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$10,279,730 reflects a decrease of \$600,380 from the Fiscal Year 2004 Adopted Budget. This decrease is due to a reduction in rent payments of \$1,204,980 to coincide with the Rio Nuevo Multipurpose District bond debt service schedule. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance and pension increases. Other significant changes are as follows:

- ◆ A change in the formula for allocating maintenance and related facility costs will result in a \$335,980 transfer from the General Services Department.
- ◆ Maintenance and other support for public events will be improved with the addition of \$272,470 and 5.50 positions, offset by anticipated revenue growth.

The Fiscal Year 2005 Capital Budget includes additional funding of \$1,028,000 from city bond funds interest for the replacement of the fire alarm system.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$10,530,620 is an increase of \$250,890 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance and pension increases.

There is no capital budget for Fiscal Year 2006.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Community Event Space					
The Tucson Convention Center provides quality space and event services for our community organizations.					
Maintain strong community use of the Music Hall, Leo Rich Theatre, meeting space, Arena, and exhibition space.					
• Days used by non-profit organizations in the Music Hall	248	N/A	237	245	250
• Days used by non-profit organizations in the Leo Rich Theatre	240	N/A	244	250	260
• Square footage used by non-profit organizations in the meeting rooms	417,900	N/A	420,553	441,580	463,660
• Square footage used by non-profit organizations in the Ballroom	405,000	N/A	565,750	800,000	1,000,000

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
• Square footage used by non-profit organizations in the exhibition space (000)	3,227	N/A	2,934	3,389	3,558
• Days used by non-profit organizations in the Arena	30	N/A	39	38	38

Entertaining our Community Members

Provide entertainment, performing arts, and exhibitions for our community members to attend.

Provide opportunities for our community members to enjoy the Tucson Convention Center facilities.

• Number of attendees at events that are open to the public	771,465	N/A	777,500	852,500	877,500
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Economic Catalyst

Create an economic catalyst for our downtown and community through the attraction of convention visitors and community members to our downtown.

The facilities serve to improve economy of the downtown and general community.

• Number of hotel room nights generated	41,699	N/A	42,234	46,468	49,000
• Amount of Transient Occupancy Tax generated	\$ 151,784	N/A	\$ 153,732	\$ 169,144	\$ 178,360
• Sales tax collected at the Tucson Convention Center	\$ 260,273	N/A	\$ 270,000	\$ 320,000	\$ 350,000
• Economic impact generated by Tucson Convention Center events (\$000s)	\$ 62,909	N/A	\$ 64,130	\$ 66,400	\$ 70,000

Quality Management

Provide quality management for the City of Tucson's public assembly facilities.

Minimize expenses and maximize revenues.

• Percent of operational expenses covered by revenues.	42%	N/A	51%	53%	51%
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TUCSON CONVENTION CENTER**ADMINISTRATION****RESOURCE SUMMARY**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	19.75	19.75	19.75	20.50	20.50
Financial Resources					
Convention Center Fund: General Fund Contribution	\$ 1,157,910	\$ 1,158,430	\$ 1,142,430	\$ 4,858,980	\$ 4,955,950
Convention Center Fund: Restricted Fees	313,060	750,000	400,000	750,000	750,000
Financial Resources Total	<u>\$ 1,470,970</u>	<u>\$ 1,908,430</u>	<u>\$ 1,542,430</u>	<u>\$ 5,608,980</u>	<u>\$ 5,705,950</u>

EVENT DEVELOPMENT**RESOURCE SUMMARY**

Position Resources	2.00	2.00	2.00	2.00	2.00
Financial Resources					
Convention Center Fund: General Fund Contribution	\$ 235,228	\$ 293,370	\$ 297,370	\$ 331,710	\$ 304,320
Financial Resources Total	<u>\$ 235,228</u>	<u>\$ 293,370</u>	<u>\$ 297,370</u>	<u>\$ 331,710</u>	<u>\$ 304,320</u>

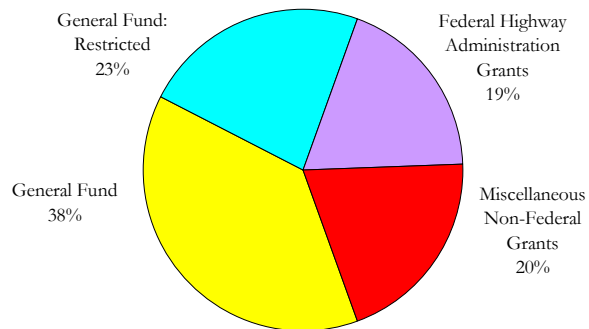
EVENT SERVICES**RESOURCE SUMMARY**

Position Resources	34.50	34.50	34.50	39.25	39.25
Financial Resources					
Convention Center Fund: General Fund Contribution	\$ 6,703,092	\$ 5,675,240	\$ 5,912,310	\$ 1,269,040	\$ 1,450,350
Convention Center Fund: Revenues	<u>2,373,407</u>	<u>3,003,070</u>	<u>2,773,000</u>	<u>3,070,000</u>	<u>3,070,000</u>
Financial Resources Total	<u>\$ 9,076,499</u>	<u>\$ 8,678,310</u>	<u>\$ 8,685,310</u>	<u>\$ 4,339,040</u>	<u>\$ 4,520,350</u>

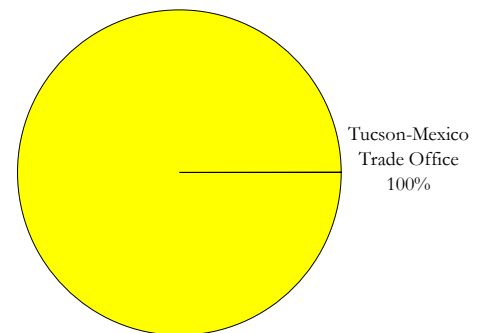
TUCSON-MEXICO TRADE OFFICE

OPERATING: \$ 1,399,160
POSITION TOTAL: 14.00

FINANCING PLAN

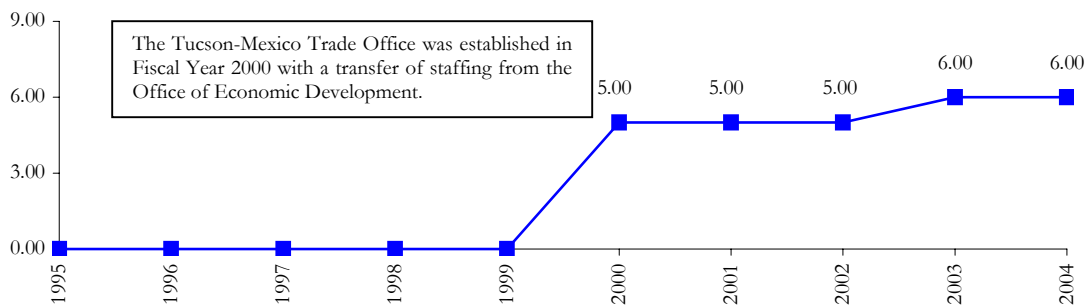


PROGRAM ALLOCATION



TEN YEAR STAFFING TRENDS

Adopted Positions



TUCSON-MEXICO TRADE OFFICE

MISSION STATEMENT: To assist local businesses and organizations in improving their connections with Mexico by strengthening economic, social, and cultural ties.

In accordance with the Tucson City Charter, the City Manager retains hiring authority for and the reporting responsibility over the Tucson-Mexico Trade Office.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Engaged Community and Responsive Government

The Tucson-Mexico Trade Office, through its commerce and tourism promotion programs, has developed relationships with over 300 community business members who contribute to the agenda and goals of the office.



Goal: Better Paying Jobs

The Tucson-Mexico Trade Office promotes higher paying jobs by assisting local businesses to increase their exports to Mexico. Puerto Nuevo Tucson, under the oversight of the Tucson-Mexico Trade Office, will create better paying jobs through the development of a Port of Entry and Commerce Center in Tucson.



Goal: Respected Historic and Cultural Resources

The Tucson-Mexico Trade Office assists social, educational, and cultural organizations on collaborative efforts with their counterparts in Mexico, and collaborates with Sister Cities and the Mexican Consulate in Tucson on cultural events related to Mexico.



Goal: Strong Local Business

The Tucson-Mexico Trade Office strives to create a business climate in Tucson that is friendly to Mexican visitors and business people, and collaborates with existing organizations to formulate business development strategies related to Mexico. Additionally, trade shows and trade missions are coordinated for local businesses from the tourism, retail, and wholesale sectors. The Export Development Program actively matches local suppliers with viable companies in Mexico. Through Puerto Nuevo Tucson, businesses will be recruited from Mexico, Canada, the United States, and around the world.



Goal: Successful Downtown

The Tucson-Mexico Trade Office is working on the development of downtown Tucson through its Tucson-Mexico Passenger Train Project. This effort would make Tucson the only city in the United States operating a passenger train service into Mexico from its downtown train depot.

TUCSON-MEXICO TRADE OFFICE**OFFICE RESOURCES**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Tucson-Mexico Trade Office	6.00	6.00	6.00	6.00	6.00
Permanent Total	6.00	6.00	6.00	6.00	6.00
NON-PERMANENT					
Tucson-Mexico Trade Office	-0-	-0-	1.00	8.00	8.00
Non-Permanent Total	-0-	-0-	1.00	8.00	8.00
Total	6.00	6.00	7.00	14.00	14.00

FINANCIAL SUMMARY

Tucson-Mexico Trade Office	\$ 582,673	\$ 485,630	\$ 705,660	\$ 1,399,160	\$ 1,433,020
Total	\$ 582,673	\$ 485,630	\$ 705,660	\$ 1,399,160	\$ 1,433,020

CHARACTER OF EXPENDITURES

Personal Services	\$ 393,483	\$ 430,100	\$ 442,250	\$ 892,060	\$ 925,430
Services	181,928	50,230	250,610	276,400	276,890
Commodities	7,262	5,300	12,800	30,700	30,700
Inter-Activity Transfers	-0-	-0-	-0-	200,000	200,000
Total	\$ 582,673	\$ 485,630	\$ 705,660	\$ 1,399,160	\$ 1,433,020

SOURCE OF FUNDS

General Fund	\$ 582,673	\$ 485,630	\$ 489,630	\$ 526,300	\$ 553,770
General Fund: Restricted	-0-	-0-	18,000	317,980	319,730
Federal Highway Administration Grants	-0-	-0-	198,030	270,600	273,350
Miscellaneous Non-Federal Grants	-0-	-0-	-0-	284,280	286,170
Total	\$ 582,673	\$ 485,630	\$ 705,660	\$ 1,399,160	\$ 1,433,020

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$1,399,160 reflects an increase of \$913,530 from the Fiscal Year 2004 Adopted Budget. Federal and state grants, in addition to marketing revenues, account for \$872,860 of the total increase and will fund seven positions focused on increased marketing of Tucson as a destination for Mexican businesses and visitors. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$1,433,020 includes an increase of \$33,860 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

KEY MEASURES OF PERFORMANCE

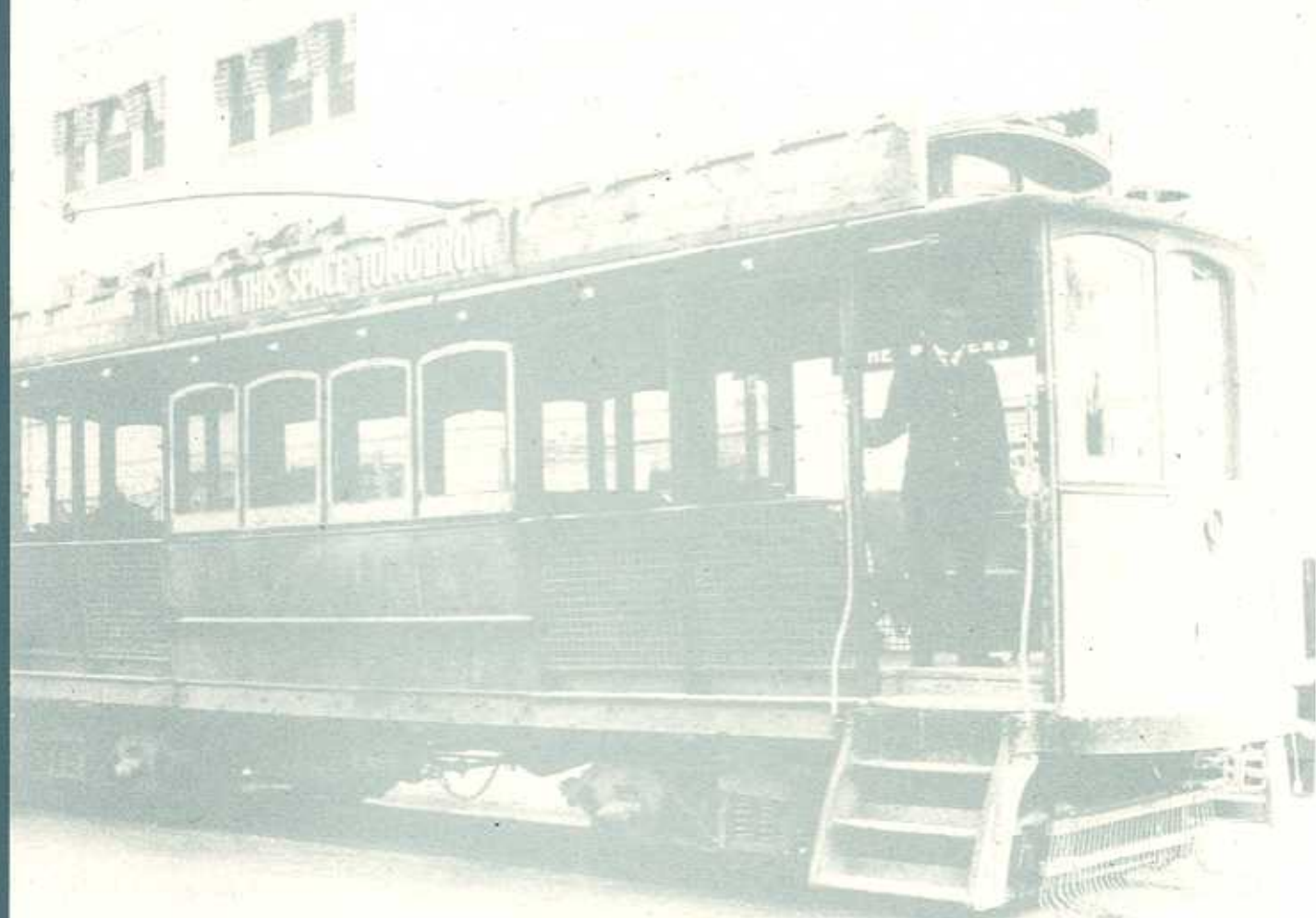
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Develop business opportunities between Tucson and Mexico.					
• International trade and tourism events	13	8	8	9	9
• Companies and organizations participating in trade/tourism events	139	100	100	120	130
• Community representative meetings	41	18	28	30	40
• Business development trips	17	18	20	25	25
• Community outreach meetings	16	15	22	25	25
• Tucson-Mexico Economic Alliance visits to Tucson	4	4	4	4	4
• Puerto Nuevo presentations made locally	27	10	18	20	25
• Puerto Nuevo presentations made in Mexico	19	16	16	18	25
Assist Tucson businesses through the Industrial Supplier Program.*					
• Tucson businesses assisted	50	80	93	125	150
• Businesses in Mexico contacted	32	80	68	80	100
• Trips to Mexico with Tucson companies	8	30	20	20	22
• Tucson businesses participating in trips	13	30	96	120	130

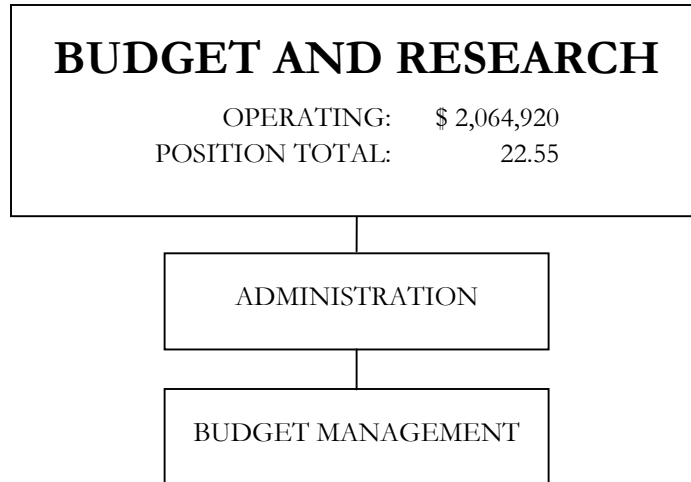
*The Industrial Supplier Program is being re-structured; in its place is the Export Development Program.

KEY MEASURES OF PERFORMANCE

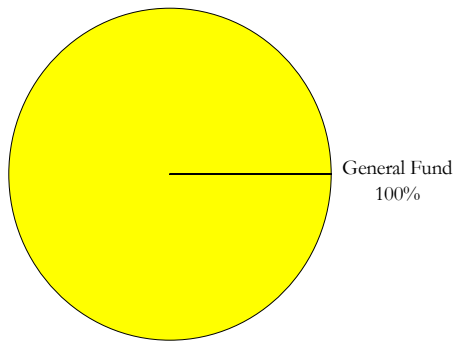
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outcomes					
Increase the economic, social, and cultural exchange between Tucson and Mexico.					
• Occurrences of media marketing efforts by Tucson's tourist, retail, and wholesale industries to target the Mexican market	160	10	175	175	175
• Signed agreements of cooperation between Tucson and cities in Mexico	-0-	2	1	-0-	-0-
• Individual Business Assistance Requests processed	75	120	50	60	75

SUPPORT SERVICES

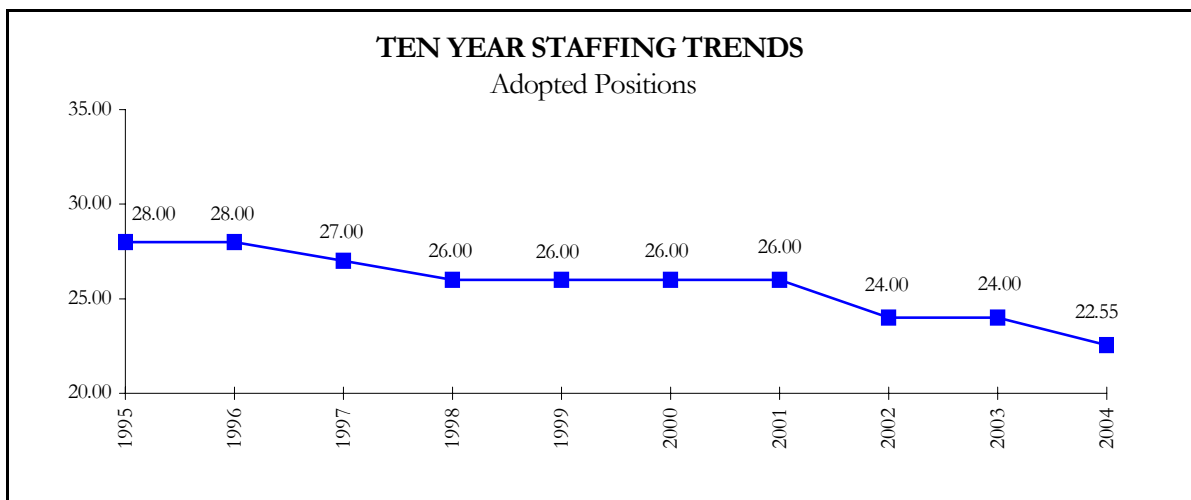
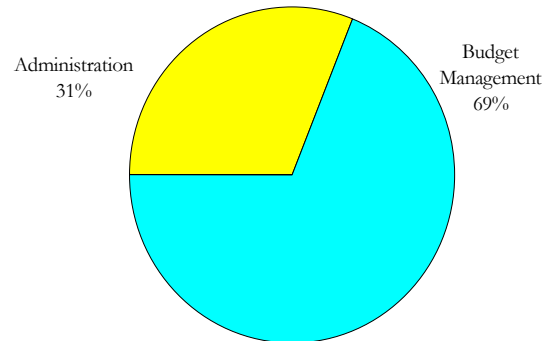




FINANCING PLAN



PROGRAM ALLOCATION



BUDGET AND RESEARCH

MISSION STATEMENT: To develop, implement, and manage the city's budget, project management, and program evaluation by working with the Mayor and Council, City Manager, and city departments and offices so that the highest levels of quality services are delivered to the residents of the City of Tucson in a fiscally responsible manner.

OVERVIEW

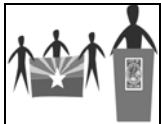
The Budget and Research Department develops and manages the annual operating budget and the five-year capital improvement program, provides evaluation and policy analysis of municipal programs, and facilitates performance improvement and good project management. This work is accomplished within the requirements of federal, state, and municipal law. These and other related services are accomplished through the Administration and Budget Management Divisions.

DEPARTMENT HIGHLIGHTS

The department implemented new budget system enhancements, which simplified the budget preparation, management, and monitoring processes, and improves the availability and timeliness of budget information for the city. This system allows budget analysts to expand the time devoted to various types of program analysis, including program evaluation, benchmarking, performance measurement, research, cost/benefit analysis, and other internal consulting services.

The City of Tucson is one of only two jurisdictions in the State of Arizona who have received the Distinguished Budget Presentation Award for 18 years. According to the Government Finance Officer's Association, no jurisdiction in Arizona received the award for more than 18 years.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Engaged Community and Responsive Government

The Budget and Research Department provides staff support to the Citizens' Bond Oversight Committee, which provides an avenue for citizen input and for the city to be responsive to its constituents.

Budget and Research staff provides ongoing staff support to the Back to Basics Neighborhoods.

The department gathers public input through hearings that are conducted as part of the budget adoption process.

The department will continue its relationship with the University of Arizona's Eller College of Business and Public Administration's Economic and Business Research Program which provides local and regional economic forecasting information that is used in budget planning and forecasting.

BUDGET AND RESEARCH

Support for Livable Tucson Goals (Continued)



Goal: Organizational Support

The Budget and Research Department provides support to all city departments and offices through its work in the areas of budget management, performance measurement, and program evaluation. The new budget system enhancements improve the process and allow for multi-year budgeting. Through the budget preparation process, the Budget and Research Department works with departments to link department efforts to Livable Tucson Goals and helps departments develop measures that track performance toward these goals.

The department contacts other jurisdictions where local sustainability efforts are occurring to see how they tie these efforts to their programs, projects, and policies.

Budget and Research staff work in conjunction with the Finance Department to provide operational support to the Rio Nuevo Project.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Administration	7.00	7.55	7.55	7.55	7.55
Budget Management	16.00	15.00	15.00	15.00	15.00
Performance Systems*	1.00	-0-	-0-	-0-	-0-
Department Total	24.00	22.55	22.55	22.55	22.55

FINANCIAL SUMMARY

Administration	\$ 530,158	\$ 554,910	\$ 558,970	\$ 634,500	\$ 669,790
Budget Management	1,313,390	1,468,980	1,294,920	1,430,420	1,445,960
Performance Systems	128,871	-0-	-0-	-0-	-0-
Department Total	\$ 1,972,419	\$ 2,023,890	\$ 1,853,890	\$ 2,064,920	\$ 2,115,750

CHARACTER OF EXPENDITURES

Personal Services	\$ 1,795,375	\$ 1,756,860	\$ 1,639,840	\$ 1,798,710	\$ 1,920,690
Services	57,656	172,370	109,390	171,550	102,400
Commodities	57,245	94,660	104,660	94,660	92,660
Equipment	62,143	-0-	-0-	-0-	-0-
Department Total	\$ 1,972,419	\$ 2,023,890	\$ 1,853,890	\$ 2,064,920	\$ 2,115,750

SOURCE OF FUNDS

General Fund	\$ 1,972,419	\$ 2,023,890	\$ 1,853,890	\$ 2,064,920	\$ 2,115,750
Department Total	\$ 1,972,419	\$ 2,023,890	\$ 1,853,890	\$ 2,064,920	\$ 2,115,750

*This division was eliminated as part of the Fiscal Year 2004 Budget Reduction Process.

Note: The Fiscal Year 2004 Adopted Budget column has been corrected to reflect a .55 position funded in Fiscal Year 2004, but not reflected in the budget.

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$2,064,920 reflects an increase of \$41,030 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases. Other significant changes are as follows:

- ◆ Completion of projects and acquisitions begun in Fiscal Year 2004 will be funded through a \$70,000 carryforward.
- ◆ A change in the formula for allocating maintenance and related facility costs will result in a \$59,070 transfer from the General Services Department.
- ◆ During Fiscal Year 2004, the installation of the new budget management and reporting system was completed, as was the position control sub-system, resulting in a reduction in Fiscal Year 2005 of \$52,500.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$2,115,750 includes an increase of \$50,830 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

BUDGET AND RESEARCH

ADMINISTRATION

MISSION STATEMENT: Administration provides administrative and clerical support to Budget Management so that staff can develop and execute the city's budget in a manner which promotes efficient and effective city operations.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide support and assistance to Mayor and Council subcommittees and those citizen committees advising the governing body.					
• Citizens' Bond Project Oversight Committee meetings	9	5	9	9	9
• Mayor and Council Civic Events Subcommittee*					
◇ Number of subcommittee meetings	14	20	6	2	2
Key Outcomes					
Produce and distribute the City of Tucson's major budget documents: Recommended and Adopted Biennial Operating Budgets, Proposed and Approved Five-Year Capital Improvement Programs, the Outside Agencies Recommended Budget, and Budget in Brief.	100%	100%	100%	100%	100%

*Mayor and Council changed the Civic Event process to fund City Co-Sponsored Events in Fiscal Year 2005.

RESOURCE SUMMARY

Position Resources	7.00	7.55	7.55	7.55	7.55
Financial Resources					
General Fund	\$ 530,158	\$ 554,910	\$ 558,970	\$ 634,500	\$ 669,790

BUDGET MANAGEMENT

MISSION STATEMENT: Budget Management develops and implements the city's annual operating and capital budgets in a manner that controls expenditures within authorized appropriations and available revenues to ensure the highest level of municipal service to city residents.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Annually prepare five-year forecasts of the cost of delivering current levels of city services for each department and office.					
• Number of departments and offices	39	39	32	32	32
• Citywide summary	3	3	3	3	3
Evaluate operating and capital budget requests and prepare recommendations for the City Manager.					
• Number of departments' and offices' operating budgets evaluated	39	39	32	32	32
• Number of departments' and offices' capital budgets evaluated	14	13	14	14	14
• Number of outside agencies' operating budgets evaluated	32	32	32	29	29
Prepare monthly reports on overtime usage, position vacancies, and projected year-end balances for management and to provide control of the budget.					
• Number of reports prepared annually	23	35	21	23	23
Conduct program evaluation and other management studies, surveys, and cost studies.	12	20	21	20	20
• Number of program evaluations	12	5	7	6	6
• Number of other studies	10	15	14	14	14
Key Outcomes					
Develop Recommended and Adopted Biennial Operating Budgets, Proposed and Approved Five-Year Capital Improvement Programs, and the Outside Agencies Recommended Budget for Mayor and Council review and approval.					
• Number of budget documents developed for Mayor and Council	5	9	9	5	9
Ensure that expenditures do not exceed available revenues and authorized amounts.	100%	100%	100%	100%	100%

BUDGET AND RESEARCH

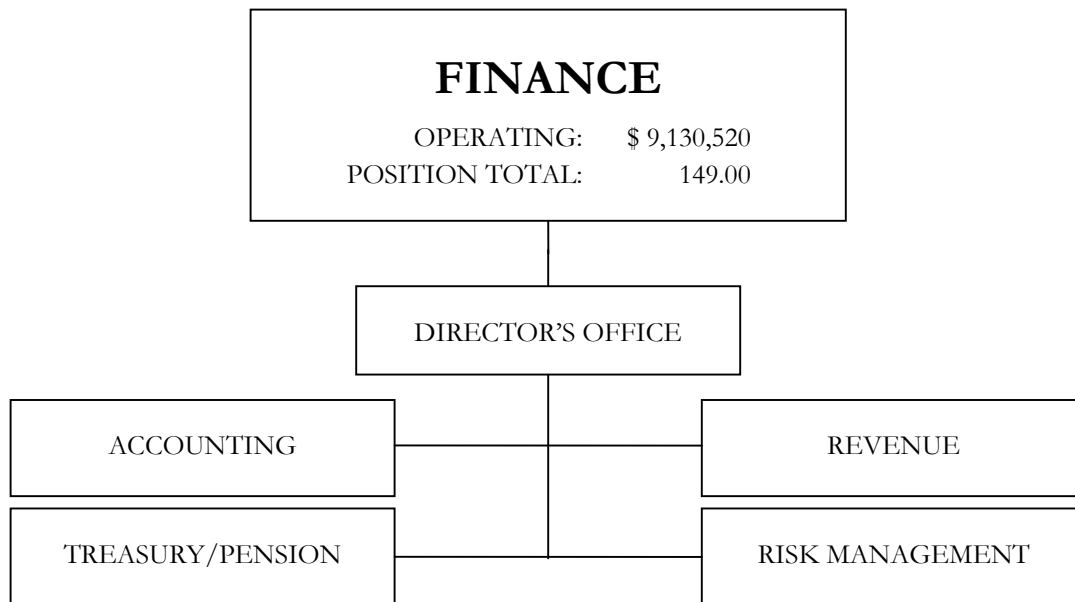
Budget Management (Continued)**RESOURCE SUMMARY**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	16.00	15.00	15.00	15.00	15.00
Financial Resources					
General Fund	\$ 1,313,390	\$ 1,468,980	\$ 1,294,920	\$ 1,430,420	\$ 1,445,960

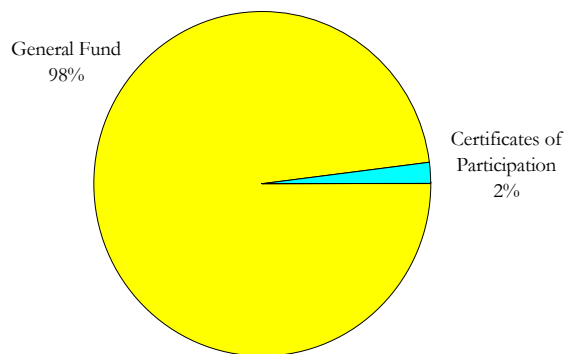
PERFORMANCE SYSTEMS***RESOURCE SUMMARY**

Position Resources	1.00	-0-	-0-	-0-	-0-
Financial Resources					
General Fund	\$ 128,871	\$ -0-	\$ -0-	\$ -0-	\$ -0-

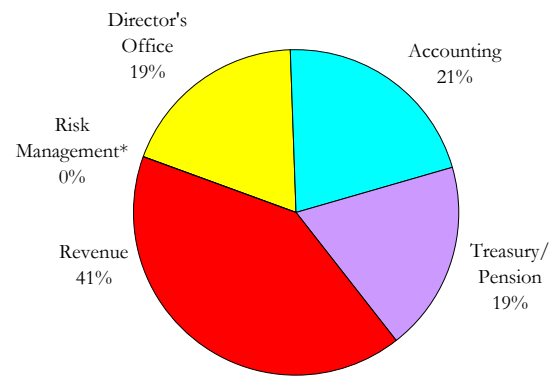
*This division was eliminated as part of the Fiscal Year 2004 Budget Reduction Process.



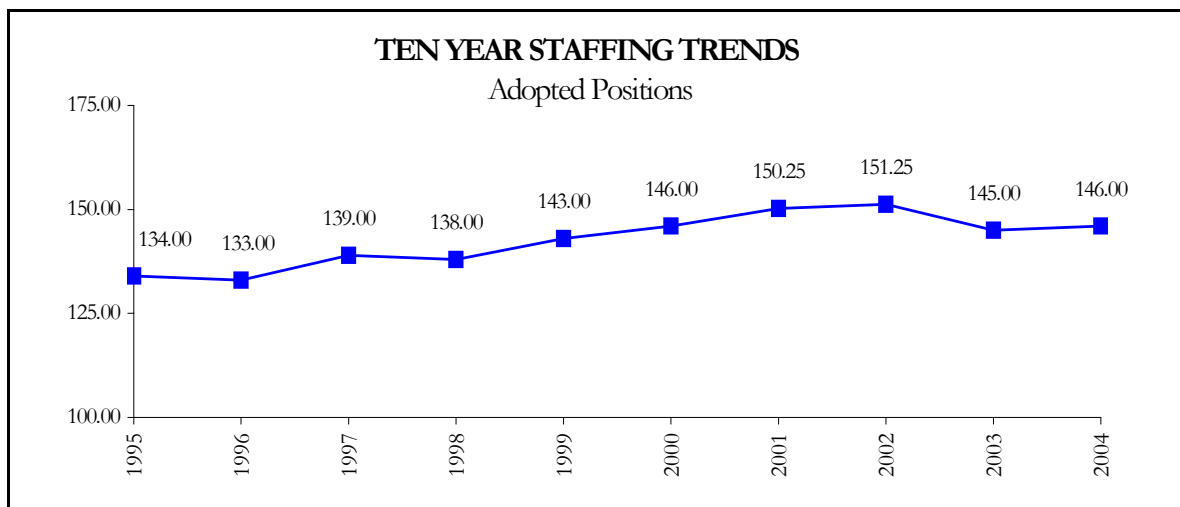
FINANCING PLAN



PROGRAM ALLOCATION



*See Appendix B for Risk Management details.



FINANCE

MISSION STATEMENT: To support the operations of the City of Tucson by providing financial accounting services for city departments and ensuring proper control of city funds so that the tax dollars of Tucson residents are safeguarded and prudently collected, invested, and disbursed. To administer business licensing and the city's debt program. To increase employee compensation satisfaction and post-employment financial security by actively managing the city's retirement systems. To increase productivity of the city workforce, protect the health of employees, and reduce workplace hazards and financial liability for city government due to accidents.

OVERVIEW

The Finance Department administers the financial activities of the city and provides financial support to all city departments by coordinating the sale of municipal debt; maximizing interest earnings on city investments; conducting an audit program for the examination and analysis of accounting, financial, and operational controls of city offices; providing for timely and accurate accounting, reporting, and internal control for receipt and disbursement of city funds; ensuring timely collection and accurate recording of cash receipts and billing and auditing tax collection; and managing the risk management and the retirement programs.

The divisions of the Finance Department are the Director's Office, Accounting, Treasury/Pension, Revenue, and Risk Management. The Tucson Supplemental Retirement System (TSRS) Fund and Deferred Compensation Fund are part of the Treasury Division. The Risk Management/Self Insurance Fund is used by the Risk Management Division to cover claims and loss prevention expenses.

DEPARTMENT HIGHLIGHTS

The department arranged the sale of \$29,840,000 in General Obligation Bonds and \$5,000,000 in Street and Highway Revenue Bonds during Fiscal Year 2003, providing required funding for the capital improvement program.

For the 20th consecutive year, the department received the Certificate of Achievement for Excellence in Financial Reporting presented by the Government Finance Officers Association.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Organizational Support

The Finance Department supports all city departments and offices by providing complete and accurate financial records which may be relied upon by departments in formulating decisions affecting their contributions toward the Livable Tucson Goals. Such information is utilized by many departments, but especially by the City Manager in deciding how best to direct city resources in support of Livable Tucson Goals.

Through efficient management of the city's debt program, the department is able to arrange financing for projects managed by various departments which contribute to a wide variety of Livable Tucson Goals including abundant urban green space and recreation areas, excellent public education, better alternatives to automobile transportation, and clean air and quality water.

The Finance Department assists social service agencies with establishing or improving their financial systems to enable them to effectively manage their organizations and qualify for federal grants. The agencies provide needed services to the community in support of various Livable Tucson Goals.

FINANCE**DEPARTMENT RESOURCES**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Director's Office	11.00	11.00	15.00	15.00	15.00
Audit*	3.00	3.00	-0-	-0-	-0-
Accounting	35.00	35.00	36.00	36.00	36.00
Treasury/Pension	27.00	29.00	30.00	30.00	30.00
Revenue	57.00	57.00	57.00	57.00	57.00
Risk Management	12.00	11.00	11.00	11.00	11.00
Permanent Total	145.00	146.00	149.00	149.00	149.00
NON-PERMANENT					
Revenue	1.25	-0-	-0-	-0-	-0-
Non-Permanent Total	1.25	-0-	-0-	-0-	-0-
Department Total	146.25	146.00	149.00	149.00	149.00

FINANCIAL SUMMARY

Director's Office	\$ 926,113	\$ 935,280	\$ 1,471,760	\$ 1,707,510	\$ 1,592,030
Audit	256,508	259,510	-0-	-0-	-0-
Accounting	1,691,046	1,805,190	1,762,970	1,960,250	2,070,360
Treasury/Pension	1,134,400	1,447,080	1,537,690	1,749,070	1,835,690
Revenue	3,363,323	3,490,570	3,110,090	3,713,690	5,412,560
Risk Management**	-0-	-0-	-0-	-0-	-0-
Department Total	\$ 7,371,390	\$ 7,937,630	\$ 7,882,510	\$ 9,130,520	\$ 10,910,640

CHARACTER OF EXPENDITURES

Personal Services	\$ 6,660,019	\$ 8,028,040	\$ 7,745,050	\$ 7,786,390	\$ 8,329,720
Services	792,745	10,390,220	10,446,620	10,946,290	10,751,550
Commodities	333,754	464,960	453,160	470,760	470,800
Equipment	134,668	158,000	158,000	408,000	1,908,000
Other	-0-	-0-	251,060	-0-	-0-
Inter-Activity Transfers	(549,796)	(11,103,590)	(11,171,380)	(10,480,920)	(10,549,430)
Department Total	\$ 7,371,390	\$ 7,937,630	\$ 7,882,510	\$ 9,130,520	\$ 10,910,640

*A departmental reorganization moved organizations within the Audit Division to the Director's Office and the Revenue Division during Fiscal Year 2004.

**The net budget for Risk Management is zero because the city is self-insured for workers' compensation and public liability insurance. Costs are recovered by charging other departments through inter-activity transfers using rates based on loss experience. See Appendix B for budget details.

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
SOURCE OF FUNDS					
General Fund	\$ 7,226,230	\$ 7,837,630	\$ 7,782,510	\$ 8,930,520	\$ 10,910,640
Certificates of Participation	145,160	100,000	100,000	200,000	-0-
Risk Management Internal Service Fund*	-0-	-0-	-0-	-0-	-0-
Department Total	\$ 7,371,390	\$ 7,937,630	\$ 7,882,510	\$ 9,130,520	\$ 10,910,640

*The net budget for Risk Management is zero because the city is self-insured for workers' compensation and public liability insurance. Costs are recovered by charging other departments through inter-activity transfers using rates based on loss experience. See Appendix B for budget details.

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$9,130,520 reflects an increase of \$1,192,890 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance and pension increases. Other significant changes are as follows:

- ♦ A department reorganization and the transfer of the Improvement District function from Transportation added \$303,240, including three positions.
- ♦ A change in the formula for allocating maintenance and related facility costs will result in a \$282,290 transfer from the General Services Department.
- ♦ To provide a critical upgrade to the business license software system, an initial \$250,000 has been added to the Fiscal Year 2005 budget. The current system is close to 20 years old, is costly to operate, and no longer meets customer and reporting requirements.
- ♦ To complete upgrades to customer service areas begun in Fiscal Year 2004, \$200,000 has been added to the Fiscal Year 2005 budget.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$10,910,640 includes an increase of \$1,780,120 from Fiscal Year 2005, including an additional \$1,750,000 to continue the upgrade of the business license software system. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance and pension increases.

Department Resources (Continued)

LOCATION OF CASHIER STATIONS FOR COLLECTION OF CITY PAYMENTS		
Site/Location	Address	Hours of Operation
City Hall	255 West Alameda	M-F 8:00 a.m. to 5:00 p.m.
La Entrada Water Building	310 West Alameda	M-F 8:00 a.m. to 5:00 p.m.
Development Services Center	201 North Stone	M-F 8:00 a.m. to 5:00 p.m.
Eastside City Hall	7575 East Speedway	M-F 8:00 a.m. to 12:00 p.m. 1:00 p.m. to 5:00 p.m.
Price Service Center	4004 South Park, Building #1	M-F 1:00 p.m. to 5:00 p.m.
Ward 4 Council Office	8123 E. Poinciana	M-F 1:00 p.m. to 5:00 p.m.

DIRECTOR'S OFFICE
<p>MISSION STATEMENT: The Director's Office provides administrative direction to the department's divisions, manages the city's debt issuance program, oversees the department's programs in a prudent manner, develops city revenue projections, and advises city management officials and the governing body regarding financial matters. The Internal Audit Section implements an audit program for the independent examination and analysis of accounting, financial, and operational control of city offices and agencies receiving funds from the city, and performs reviews, investigations, and cost analyses as requested by management.</p>

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Plan, organize, and direct city debt offerings.					
• Number of debt offerings	7	4	5	5	4
• Number of improvement district bonds	8	4	4	4	4
Provide updated revenue projections for the current and next fiscal years.	4	4	4	4	4
Perform planned internal audits of city functions and audits requested by management.	N/A	N/A	N/A	20	20
Monitor agency contracts receiving federal pass-through social service funding.	N/A	N/A	N/A	50	50

Director's Office (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Assist city departments in determining the cost of their services.	N/A	N/A	N/A	2	4
Key Outcomes					
Issue debt to meet the city's financial needs (\$000s).	\$ 40,340	\$ 67,700	\$ 67,700	\$ 75,000	\$ 75,000

RESOURCE SUMMARY

Position Resources	11.00	11.00	15.00	15.00	15.00
Financial Resources					
General Fund	\$ 791,445	\$ 835,280	\$ 1,371,760	\$ 1,507,510	\$ 1,592,030
Certificates of Participation	134,668	100,000	100,000	200,000	-0-
Financial Resources Total	\$ 926,113	\$ 935,280	\$ 1,471,760	\$ 1,707,510	\$ 1,592,030

AUDIT*

RESOURCE SUMMARY

Position Resources	3.00	3.00	-0-	-0-	-0-
Financial Resources					
General Fund	\$ 256,508	\$ 259,510	\$ -0-	\$ -0-	\$ -0-

*A departmental reorganization moved organizations within the Audit Division to the Director's Office and the Revenue Division during Fiscal Year 2004.

ACCOUNTING

MISSION STATEMENT: The Accounting Division maintains accurate and complete financial records; supplies meaningful and timely financial data that will inform and assist the public, city management, and investors; prepares financial reports related to all debt, grant, and contractual agreements to avoid penalties and assessments and to preserve funding sources; pays employees on time and in compliance with all federal, state, and city regulations; and pays vendors accurately and on time to encourage favorable future contract terms and to take advantage of early payment discounts.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Pay vendor invoices.					
• Invoices paid	184,345	190,000	200,000	200,000	200,000
Issue employee paychecks and prepare related reports and remittances.					
• Paychecks issued	189,596	190,000	210,000	210,000	210,000
• Reports/remittances prepared	12,336	12,000	14,000	14,000	14,000
Issue financial and personnel-related reports.					
• Comprehensive Annual Financial Report	1	1	1	1	1
• Grant/compliance/regulatory reports	385	380	390	400	400
• Scheduled management reports	150	250	200	200	200
• Special requests	126	180	145	145	145
Key Outcomes					
Pay vendor invoices within seven calendar days of receipt of authorization.	99%	99%	99%	99%	99%
Pay all employees and related payroll taxes on time.	100%	100%	100%	100%	100%
Issue reports within required or committed time frames.	99%	99%	99%	99%	99%

RESOURCE SUMMARY

Position Resources	35.00	35.00	36.00	36.00	36.00
Financial Resources					
General Fund	\$ 1,691,046	\$ 1,805,190	\$ 1,762,970	\$ 1,960,250	\$ 2,070,360

TREASURY/PENSION

MISSION STATEMENT: The Treasury/Pension Division is comprised of the Collections, Investments, Retirement, and Employee Benefits Sections. The Collection Section processes all payments and deposits all revenues received from the public and from other city departments in an accurate and timely manner and operates cashier stations throughout the community. The Investment Section manages the City of Tucson's investments, the retirement system, and the deferred compensation plan in an effective manner. The Retirement Section maintains accurate and complete records pertaining to the accrual and payment of retirement and deferred compensation benefits; and improves participant knowledge of retirement benefits by providing summary plan descriptions, retirement planning seminars, and responses to employee and retiree inquiries. The Employee Benefits Section provides employees and retirees, through administration, education and communication, quality health and welfare benefits intended to provide security for themselves and their families.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Operate remote cashier stations for the convenience of the public when making payments.					
• Number of payments taken at remote cashier stations	193,048	180,000	195,000	195,000	195,000
Provide advance retirement planning for employees by conducting individual and group retirement planning sessions.					
• Individual retirement planning sessions conducted	547	320	320	350	350
• Group retirement/deferred compensation sessions conducted	48	45	45	54	75
Maintain accurate records on accrual and payment of retirement and deferred compensation benefits.					
• Number of employee records maintained	12,519	9,500	9,500	10,750	11,000
Process changes and benefit updates in the payroll system for all annual enrollments in benefit plans.					
• Number of status changes	4,500	4,500	4,500	4,500	4,500
• Number of open enrollment changes	5,000	5,000	5,300	5,300	5,300
• Number of enrollments for new employees	400	400	500	450	450
• Number of records converted for retirees	275	150	150	150	150
• Number of Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) insurance applications for employees who are terminating and dependents who are no longer eligible for benefits	200	110	200	200	200

FINANCE

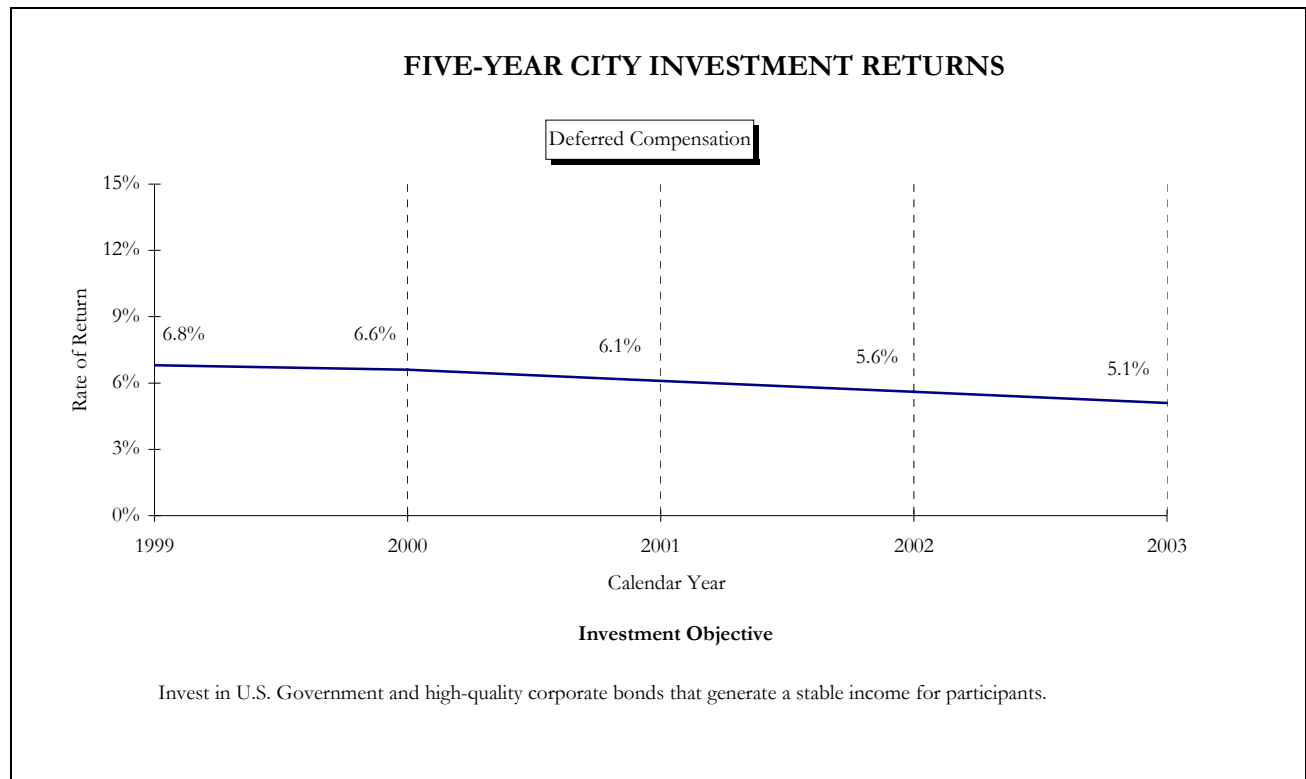
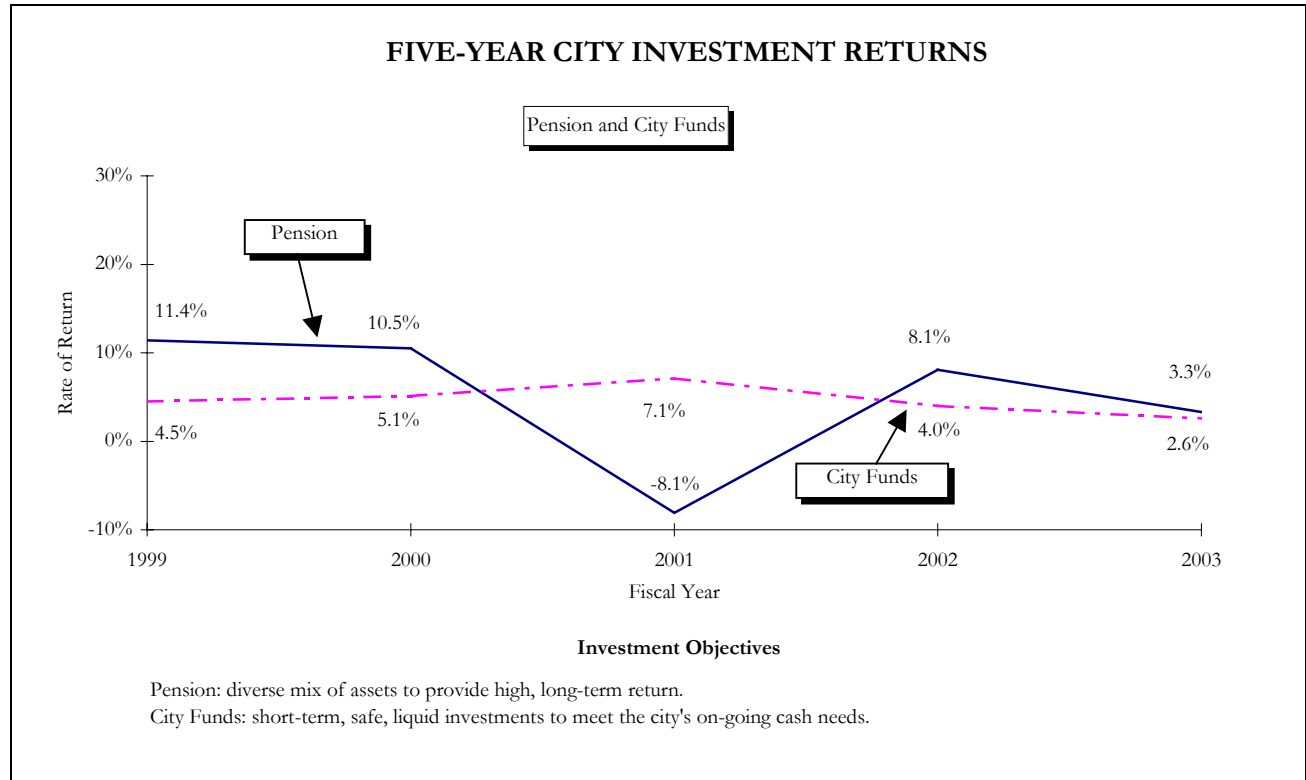
Treasury/Pension (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Process payments and administer contracts for employee benefits programs.					
• Number of dental and medical contracts	12	12	11	11	11
• Number of employees eligible for benefits	5,275	5,025	5,005	5,200	5,200
• Number of retirees	1,750	1,500	2,230	2,300	2,350
Key Outcomes					
Process and deposit utility, tax, and license payments and other city revenue.					
• Total number of payments processed (000s)	2,683	3,000	3,000	3,000	3,000
• Percent of utility payments processed the same day as received	87%	85%	82%	82%	82%
• Percent of tax, license, and other payments processed the same day as received	100%	100%	100%	100%	100%
Enhance employees' retirements by increasing participation in the Deferred Compensation Program through education outreach programs.					
• Percent of eligible employees participating in deferred compensation	58%	60%	60%	62%	64%
Provide employees with benefit information and related services.					
• Percent of surveyed employees reporting that they are "satisfied" or better with the service they received	90%	90%	90%	90%	90%

RESOURCE SUMMARY

Position Resources	27.00	29.00	30.00	30.00	30.00
Financial Resources					
General Fund	\$ 1,123,908	\$ 1,447,080	\$ 1,537,690	\$ 1,749,070	\$ 1,835,690
Certificates of Participation	10,492	-0-	-0-	-0-	-0-
Financial Resources Total	<u>\$ 1,134,400</u>	<u>\$ 1,447,080</u>	<u>\$ 1,537,690</u>	<u>\$ 1,749,070</u>	<u>\$ 1,835,690</u>

Treasury/Pension (Continued)



REVENUE

MISSION STATEMENT: The Revenue Division administers the city tax code to generate revenue for financing city services in a manner that is accountable and responsive to the public; and collects delinquent city receivables in a way that balances both fiscal responsibility and fair collection practices. The Sales Tax Audit Section enforces the Business Privilege Tax Code by performing audits of businesses subject to the tax law; and improves taxpayer knowledge of the tax law through the auditing program and by conducting taxpayer education seminars, providing informational brochures, and responding to written and telephone requests for information.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Issue new licenses and bill accounts.					
• New licenses issued	8,160	7,700	8,000	8,200	8,400
• Accounts billed	454,000	430,000	450,000	460,000	470,000
Resolve delinquent accounts to either recover money owed or determine that accounts are uncollectable.					
• Number of delinquent accounts in inventory	31,000	30,000	35,000	35,000	35,000
Conduct business privilege tax audits for compliance with the tax code.	218	480	268	320	320
Conduct or make presentations at taxpayer education seminars or meetings.	13	13	8	9	9
Respond to business tax inquiries.	290	340	340	340	340
Key Outcomes					
Collect business sales taxes and occupational license fees (\$000s).	\$ 180,192	\$ 157,000	\$ 180,000	\$ 185,000	\$ 190,000
Collect delinquent taxes (\$000s).	\$ 9,278	\$ 3,200	\$ 7,000	\$ 7,000	\$ 7,000
Collect other delinquent receivables (\$000s).	\$ 4,200	\$ 1,000	\$ 3,500	\$ 3,500	\$ 3,500
Resolve delinquent accounts.	18,000	14,000	17,000	17,000	17,000
Ensure the positive response of audited business privilege taxpayers on surveys regarding courteousness of auditor and thoroughness of tax law explanations.					
• Percent of positive responses	99%	100%	99%	100%	100%
Recover unpaid taxes identified in audits to help cover the cost of city services delivered.	\$ 1,336,530	\$ 800,000	\$ 600,000	\$ 800,000	\$ 800,000

Revenue (Continued)

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	58.25	57.00	57.00	57.00	57.00
Financial Resources					
General Fund	\$ 3,363,323	\$ 3,490,570	\$ 3,110,090	\$ 3,713,690	\$ 5,412,560

RISK MANAGEMENT

MISSION STATEMENT: The Risk Management Division administers and funds a risk management program to ensure continuity of city service and programs and to avoid or minimize the cost of risk to the city by the identification of hazards and the application of effective risk control measures to protect property and prevent injuries to employees and the public.

KEY MEASURES OF PERFORMANCE

Key Outputs

Process claims made against the city.

• Liability claims processed	1,003	950	950	1,000	1,000
• Workers' compensation claims processed	960	1,000	1,000	1,000	1,000
• Third party claims processed	400	375	375	400	400

Produce management claim reports on a monthly basis.	12	12	12	12	12
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Conduct safety training and inspections to meet federal and state Occupational Safety and Health Administration (OSHA) standards and regulations.

• Employees trained	9,083	6,000	6,000	7,000	7,000
• Training sessions conducted	506	325	325	400	400
• Inspections conducted	333	550	550	500	500

Key Outcomes

Receive no OSHA citations and fines.

• Citations received	-0-	-0-	-0-	-0-	-0-
• Cost of fines served	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-

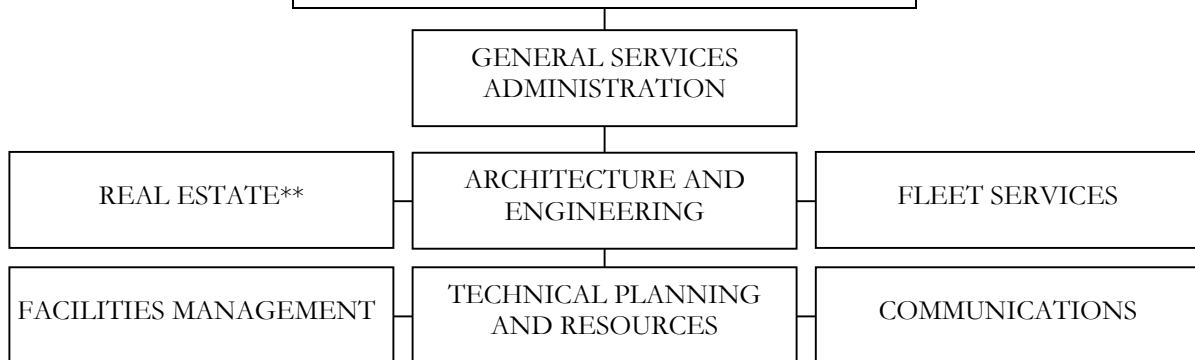
Risk Management (Continued)

	RESOURCE SUMMARY				
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	12.00	11.00	11.00	11.00	11.00
Financial Resources					
Risk Management Internal Service Fund*	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-

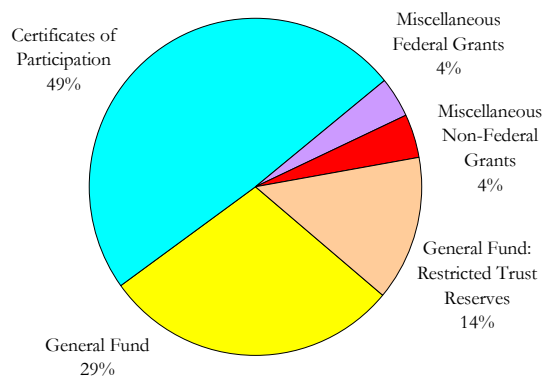
*The net budget for Risk Management is zero because the city is self-insured for workers' compensation and public liability insurance. Costs are recovered by charging other departments through inter-activity transfers using rates based on loss experience. See Appendix B for budget details.

GENERAL SERVICES*

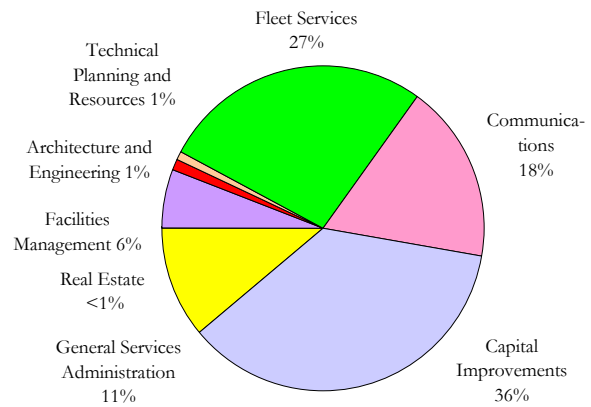
OPERATING:	\$ 23,378,950
CAPITAL:	<u>12,923,700</u>
TOTAL:	<u>\$ 36,302,650</u>
POSITION TOTAL:	357.00



FINANCING PLAN

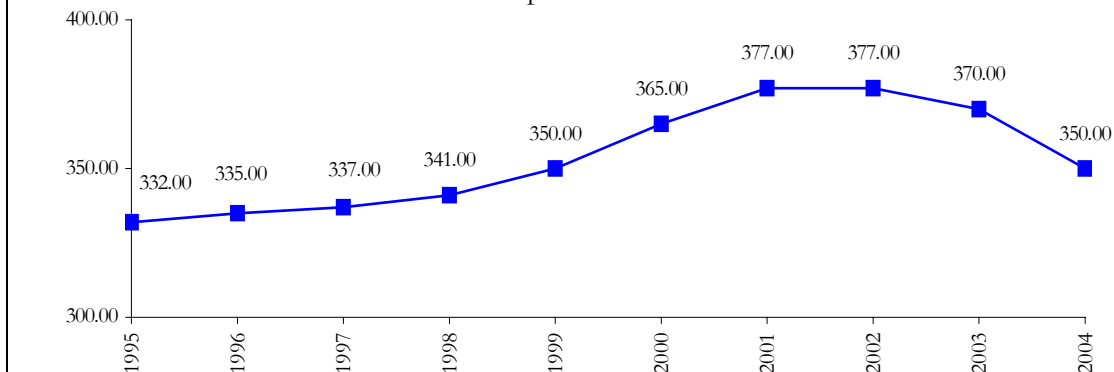


PROGRAM ALLOCATION



TEN YEAR STAFFING TRENDS

Adopted Positions



*The Department of Operations' name was changed to the General Services Department in Fiscal Year 2004.
 **The Real Estate Division was transferred from the Department of Transportation in Fiscal Year 2005.

GENERAL SERVICES

MISSION STATEMENT: To ensure effective, uninterrupted municipal services to city departments and the community by providing professionally operated and maintained public safety and general services communications systems, well-designed and maintained city facilities, technical resources for energy management, real property services, and efficiently-managed fleet acquisition and maintenance programs.

OVERVIEW

The General Services Department consists of seven divisions: General Services Administration, Real Estate, Facilities Management, Architecture and Engineering, Technical Planning and Resources, Fleet Services, and Communications. The General Services Department provides city departments with building maintenance and repair; property management; technology planning and resources for energy management programs; facility design and construction project coordination; fleet maintenance, repairs, fueling, and vehicle/equipment acquisition; public safety/general communications dispatching operations and communication systems maintenance; and management of the acquisition and sale of properties for capital improvement projects.

DEPARTMENT HIGHLIGHTS

The Department of Operations' name was changed to the General Services Department effective July 1, 2004.

The city's vehicle replacement program is in its tenth year of maintaining a modern and updated fleet.

The citywide Energy Stars Building Program performs energy audits, and designs and implements energy conservation strategies.

Construction was completed for the Patrick K. Hardesty City of Tucson Midtown Multi-Service Center, a facility designed to use one-half or less of the energy requirements of a similar facility.

The District Heating and Cooling Project for Downtown Tucson (a centralized plant that takes advantage of the most advanced energy/cost savings technologies) was completed with Phase I implementation at the Tucson Convention Center, and Police and Fire Headquarters.

Notable construction contracts awarded were for the first phase of the northwest Sun Tran bus maintenance facility, the building of the Adaptive Recreation Center, the expansion of the Northwest Neighborhood Center, and the expansion of the George Miller Golf Links Library.

A long-range plan to reduce the current \$46 million deferred maintenance problem for facilities was re-introduced.

SUPPORT FOR LIVABLE TUCSON GOALS

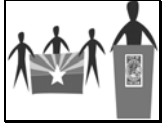


Goal: Safe Neighborhoods

The Communications Division provides the initial answering of 572,610 9-1-1 calls annually for police, fire, and medical emergencies. The Communications Division provides fire and medical dispatching services to the Tucson Fire Department, Avra Valley Fire District, Golder Ranch Fire District, and Northwest Fire District. In addition, the division administers and operates the city's emergency medical dispatch function by providing pre-arrival instructions for citizens reporting medical emergencies.

The Multi-Agency Mutual Aid Radio System maintained by the division provides 13 public safety agencies in the Tucson metropolitan area the ability to communicate with each other when providing emergency services.

Support for Livable Tucson Goals (Continued)



Goal: *Engaged Community and Responsive Government*

The Architecture and Engineering Division ensures that the unique cultural and traditional fabrics of neighborhoods are respected and maintained relative to new public building construction, by conducting public meetings where citizen input about project design is received.



Goal: *Clean Air and Quality Water*

The Fleet Services Division has numerous programs in place to reduce pollutants and waste materials. These programs include comprehensive scheduled preventive maintenance services, annual emissions testing for all fleet units exceeding state mandated requirements, alternative fuels for a portion of the vehicle fleet, and waste stream reduction.

The Communications Division provides 24-hour leak detection monitoring of 20 fuel storage tanks and associated piping.



Goal: *Efficient Use of Natural Resources*

The General Services Department designs and implements energy management and conservation programs in city facilities for energy reduction and cost savings. Activities include energy saving lighting retrofits, solar applications, energy audits, and the use of energy-efficient construction materials and building equipment.

The Fleet Services Division manages a program promoting the use of alternative fuels. The program replaces gasoline and diesel-powered fleet vehicles with vehicles operating on compressed natural gas (CNG), a more abundant, less expensive resource than oil.

As mandated by the Mayor and Council, the General Services Department is installing solar devices on city facilities over the next five years. The city's recognized savings from Tucson Electric Power's 1% rate cut is being reinvested for the promotion of solar energy.

The Facilities Management Division furthers energy efficiency by educating both private sector and city staff designers, builders, and contractors, as well as city and county code officials, on the locally adopted Sustainable Energy Standard, which is 50% more rigorous than the Model Energy Code.



Goal: *Successful Downtown*

The General Services Department is implementing a program to provide heating and cooling to downtown governmental and privately-owned facilities using a single physical plant. This will result in reduced energy costs for these buildings and serve as an economic incentive for future investment and new development in the downtown area.



Goal: *Organizational Support*

The General Services Department supports city departments by maximizing the hours of availability of facilities, fleet vehicles and off-road equipment, and communications systems.

The General Services Department enables city departments to accomplish their missions by ensuring the highest quality facility design and construction, and telecommunications/communications systems buildout.

Fleet Services reduces organizational maintenance costs associated with obsolete and/or aged vehicles by administering the city's fleet replacement program and an aggressive preventative maintenance program.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
General Services Administration	10.00	8.00	6.00	6.00	6.00
Real Estate*	-0-	-0-	-0-	14.00	14.00
Facilities Management	113.00	106.00	107.00	107.00	107.00
Architecture and Engineering	16.00	14.00	14.00	14.00	14.00
Technical Planning and Resources	11.00	9.00	10.00	2.00	2.00
Fleet Services	105.00	94.00	96.00	108.00	108.00
Communications	114.00	117.00	117.00	105.00	105.00
Permanent Total	369.00	348.00	350.00	356.00	356.00
NON-PERMANENT					
Architecture and Engineering	1.00	-0-	-0-	-0-	-0-
Technical Planning and Resources	1.00	1.00	1.00	1.00	1.00
Fleet Services	1.00	1.00	-0-	-0-	-0-
Non-Permanent Total	3.00	2.00	1.00	1.00	1.00
Department Total	372.00	350.00	351.00	357.00	357.00

FINANCIAL SUMMARY

General Services Administration	\$ 728,757	\$ 3,655,670	\$ 553,670	\$ 3,792,940	\$ 3,829,600
Real Estate*	-0-	-0-	-0-	137,080	137,080
Facilities Management	6,820,803	5,932,750	5,492,440	2,166,280	2,133,570
Architecture and Engineering	486,847	268,130	210,200	450,880	486,350
Technical Planning and Resources	1,351,853	1,200,510	1,241,250	533,670	542,260
Fleet Services**	-0-	-0-	-0-	9,719,120	9,811,400
Communications	7,138,885	6,880,080	6,469,070	6,578,980	6,850,180
Operating Total	16,527,145	17,937,140	13,966,630	23,378,950	23,790,440
Capital Improvements	521,711	5,928,400	1,172,550	12,923,700	3,197,300
Department Total	\$ 17,048,856	\$ 23,865,540	\$ 15,139,180	\$ 36,302,650	\$ 26,987,740

*The Real Estate Division is transferred from the Department of Transportation in Fiscal Year 2005.

**Prior to Fiscal Year 2005, the net budgets for Fleet Services were zero because the costs of both vehicle maintenance and acquisition were paid by departments through interactivity transfers. In Fiscal Years 2005 and 2006, fleet acquisition is budgeted in Fleet Services to allow vehicle replacement to occur with Certificate of Participation funding. See Appendix B for budget details.

GENERAL SERVICES**Department Resources (Continued)**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
CHARACTER OF EXPENDITURES					
Personal Services	\$ 20,087,022	\$ 19,921,050	\$ 18,546,570	\$ 21,642,990	\$ 23,095,030
Services	17,658,187	17,978,630	17,665,970	15,428,640	15,402,350
Commodities	9,656,741	10,228,160	10,315,350	11,328,680	11,362,290
Equipment	5,818,535	8,964,860	12,099,030	9,803,880	9,896,160
Inter-Activity Transfers	(36,693,340)	(39,155,560)	(44,660,290)	(34,825,240)	(35,965,390)
Operating Total	16,527,145	17,937,140	13,966,630	23,378,950	23,790,440
Capital Improvements	521,711	5,928,400	1,172,550	12,923,700	3,197,300
Department Total	\$ 17,048,856	\$ 23,865,540	\$ 15,139,180	\$ 36,302,650	\$ 26,987,740

SOURCE OF FUNDS**OPERATING FUNDS**

General Fund	\$ 16,396,027	\$ 14,838,370	\$ 13,687,990	\$ 10,520,920	\$ 10,979,040
General Fund: Restricted	-0-	98,770	72,920	48,910	-0-
Certificates of Participation	-0-	-0-	-0-	90,000	-0-
Miscellaneous Federal Grants	131,118	1,500,000	205,720	1,500,000	1,500,000
Miscellaneous Non-Federal Grants	-0-	1,500,000	-0-	1,500,000	1,500,000
Fleet Replacement - Certificates of Participation	-0-	-0-	-0-	9,719,120	9,811,400
Operating Funds Total	\$ 16,527,145	\$ 17,937,140	\$ 13,966,630	\$ 23,378,950	\$ 23,790,440

CAPITAL FUNDS

General Fund	\$ 277,382	\$ 931,200	\$ 819,960	\$ 72,400	\$ -0-
General Fund: Restricted Trust Reserves	-0-	-0-	-0-	4,876,300	-0-
Certificates of Participation	-0-	4,997,200	120,900	7,975,000	3,197,300
1984 General Obligation Bond Funds	244,329	-0-	231,690	-0-	-0-
Capital Funds Total	\$ 521,711	\$ 5,928,400	\$ 1,172,550	\$ 12,923,700	\$ 3,197,300
Department Total	\$ 17,048,856	\$ 23,865,540	\$ 15,139,180	\$ 36,302,650	\$ 26,987,740

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$23,378,950 reflects an increase of \$5,441,810 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance and pension increases. Other significant changes are as follows:

- ◆ Budgets for fleet replacement are transferred from departments to allow for acquisition of replacement vehicles with \$9.7 million in Certificates of Participation by Fleet Services.
- ◆ A change in the formula for allocating maintenance and related facility costs results in a \$3,356,140 transfer to city departments.
- ◆ In order to consolidate communications and network functions, data services, telecommunications system, and communications engineering and network design have been transferred to Information Technology, including \$1,623,620 and 20 positions.
- ◆ Efficiency improvement will be accomplished through the transfer of Auto Stores from the Procurement Department, including \$283,080 and ten positions. The amount transferred is offset by charges to user departments.
- ◆ The Real Estate Division was transferred from the Department of Transportation, including \$137,080 and 14 positions.
- ◆ Two positions have been added to meet demand for vehicle maintenance.
- ◆ A Teaching Energy Conservation grant has been approved by the Department of Energy, including one position.

The Fiscal Year 2005 Capital Budget of \$12,923,700 continues the implementation of the Emergency Communications System and Facility project and completion of Americans with Disabilities Act projects.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$23,790,440 includes an increase of \$411,490 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance and pension increases.

The Fiscal Year 2006 Capital Budget of \$3,197,300 continues the implementation of the Emergency Communications System and Facility project.

GENERAL SERVICES

GENERAL SERVICES ADMINISTRATION

MISSION STATEMENT: The General Services Administration Division provides overall direction and management for six divisions and supports their efforts in the areas of budgeting, cost accounting, personnel management, environmental compliance, safety, and training.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Conduct in-house quarterly occupational safety and health inspections department wide.					
• Number of quarterly inspections	4	4	4	4	4
Ensure departmental accountability by administering major budget, procurement, and personnel systems.					
• Number of systems	3	3	3	3	3
Key Outcomes					
Continue to refine adopted customer service survey recommendations presented by department directors.					
• Facilities Design and Management	100%	100%	100%	100%	100%
• Architecture and Engineering	100%	100%	100%	100%	100%
• Technical Planning and Resources	100%	100%	100%	100%	100%
• Fleet Services	100%	100%	100%	100%	100%
• Communications	100%	100%	100%	100%	100%
Reduce occupational safety and health violations by conducting quarterly inspections.					
• Repeat violations identified/eliminated	7	12	10	10	10
• Percent of serious violations avoided	100%	100%	100%	100%	100%

RESOURCE SUMMARY

Position Resources	10.00	8.00	6.00	6.00	6.00
Financial Resources					
General Fund	\$ 728,757	\$ 733,670	\$ 553,670	\$ 792,940	\$ 829,600
Miscellaneous Federal Grants	-0-	1,422,000	-0-	1,500,000	1,500,000
Miscellaneous Non-Federal Grants	-0-	1,500,000	-0-	1,500,000	1,500,000
Financial Resources Total	\$ 728,757	\$ 3,655,670	\$ 553,670	\$ 3,792,940	\$ 3,829,600

REAL ESTATE*

MISSION STATEMENT: The Real Estate Division provides professional real property services including appraisal, acquisition, management, special studies, geographical information system services, cultural resource clearance, environmental investigation, leasing, and disposition for city departments and the community.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide needed property for new public facilities.					
• Number of properties acquired	-0-	-0-	-0-	80	80
Sell surplus parcels of property.	-0-	-0-	-0-	18	18
Respond to service requests for property vacation, abandonment, easement, rezoning reviews, right-of-entry, lease, or special use.	-0-	-0-	-0-	200	200
Complete appraisals and estimates of value for real property for various public projects and citywide needs.					
Provide Geographic Information System (GIS) special project maps to Mayor and Council, neighborhood associations, city departments, governmental agencies, consultants, and the private sector.					
• Number of maps	-0-	-0-	-0-	180	180
Key Outcomes					
Increase the city's tax base by returning unneeded parcels of property to the tax rolls.					
• Number of parcels	-0-	-0-	-0-	20	20
• Value of parcels (\$000s)	\$ -0-	\$ -0-	\$ -0-	\$ 400	\$ 400

RESOURCE SUMMARY

Position Resources	-0-	-0-	-0-	14.00	14.00
Financial Resources					
General Fund	\$ -0-	\$ -0-	\$ -0-	\$ 137,080	\$ 137,080

*The Real Estate Division is transferred from the Department of Transportation in Fiscal Year 2005.

FACILITIES MANAGEMENT

MISSION STATEMENT: The Facilities Management Division ensures a healthy, functional, aesthetic, and sustainable building environment for all city employees and the public by providing cost-effective facility, property and energy management that responds to the long-term requirements of the city and is sensitive to user needs.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Call back customers within one hour after receiving repair work order requests with name of assigned tradespersons and time of arrival.					
• Percentage of customers called back within one hour	N/A	N/A	90%	90%	90%
Respond to work requests received for routine building maintenance within 48 hours.					
• Number of requests received	40,000	41,000	41,000	41,000	41,000
Manage maintenance projects.					
• Number of projects managed	340	360	360	360	360
Review and manage energy projects (i.e., lighting, heating, cooling) for new or modified city facilities.					
• Number of projects reviewed and managed	25	24	24	24	24
Key Outcomes					
Respond to work requests received for routine building maintenance within 48 hours.					
• Percent responded to within 48 hours	94%	95%	96%	98%	98%
Manage maintenance projects.					
• Percent of projects completed within 5% of estimated costs	96%	98%	98%	99%	99%
Ensure system of quality control whereby trades personnel call back and record their contact person's degree of satisfaction within two days after the completion of each job.					
• Percentage of customers called back within two days	N/A	N/A	90%	90%	90%

Facilities Management (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Determine required repairs and estimate completion date.					
• Percentage of work orders completed by estimated date.	N/A	N/A	90%	90%	90%
Reduce utility costs and pollution by creating energy efficient buildings.					
• Utility costs savings*	\$ 650,000	\$ 650,000	\$ 750,000	\$ 750,000	\$ 750,000
• Equivalent number of cars removed from roadway (pollution reduction)*	965	965	1,120	1,120	1,120
Complete energy management and conservation enhancements throughout city facilities. Achieve an excellent rating for improvements through debriefings with end users on a project-by-project basis.					
• Percent of projects receiving excellent rating	96%	95%	95%	95%	95%
Meet the requirements of customer departments by implementing all adopted suggestions relating to maintenance and minor alterations.					
• Percent of adopted suggestions implemented	100%	100%	100%	100%	100%

*Benchmarks adopted by the Environmental Protection Agency to measure energy efficiency.

RESOURCE SUMMARY

Position Resources	113.00	106.00	107.00	107.00	107.00
Financial Resources					
General Fund	\$ 6,820,803	\$ 5,932,750	\$ 5,492,440	\$ 2,076,280	\$ 2,133,570
Certificates of Participation	-0-	-0-	-0-	90,000	-0-
Financial Resources Total	\$ 6,820,803	\$ 5,932,750	\$ 5,492,440	\$ 2,166,280	\$ 2,133,570

ARCHITECTURE AND ENGINEERING

MISSION STATEMENT: The Architecture and Engineering Division ensures a healthy, functional, aesthetic, and sustainable building environment for all city employees and the public by providing cost-effective facility designs that respond to the long-term requirements of the city, and are sensitive to user needs. The division ensures construction that is sound and complies with applicable requirements.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Manage major design projects that involve construction of new buildings, remodeling, and major maintenance projects.					
• Number of project designs managed	56	50	45	50	60
Manage construction projects involving new buildings, remodels, and renovation projects.					
• Number of projects managed	49	40	48	40	50
Conduct special architectural and planning studies on request.					
• Number of studies	50	45	40	45	50
Key Outcomes					
Manage major design projects that involve construction of new buildings, remodeling, and major maintenance projects.					
• Percent of designs managed within schedule and within budget	100.0%	98.0%	99.5%	99.5%	99.5%
Manage construction projects involving new buildings, remodels, and renovation projects.					
• Percent of projects completed within 5% of authorized construction costs	99.5%	98.0%	99.5%	99.5%	99.5%
Meet the requirements of customer departments for facility design and construction by implementing all adopted suggestions.					
• Percent of adopted suggestions implemented	100%	100%	100%	100%	100%

Architecture and Engineering (Continued)

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	17.00	14.00	14.00	14.00	14.00
Financial Resources					
General Fund	\$ 486,847	\$ 268,130	\$ 210,200	\$ 450,880	\$ 486,350

TECHNICAL PLANNING AND RESOURCES*

RESOURCE SUMMARY

Position Resources	12.00	10.00	11.00	3.00	3.00
Financial Resources					
General Fund	\$ 1,220,735	\$ 1,122,510	\$ 1,035,530	\$ 533,670	\$ 542,260
Miscellaneous Federal Grants	131,118	78,000	205,720	-0-	-0-
Financial Resources Total	\$ 1,351,853	\$ 1,200,510	\$ 1,241,250	\$ 533,670	\$ 542,260

*The telecommunication and network function of the Technical Planning and Resources Division was transferred to the Information Technology Department for Fiscal Years 2005 and 2006, the remaining functions will be combined with the Facilities Management Division during Fiscal Year 2005. Performance Measures for this remaining function are already shown in Facilities Management.

FLEET SERVICES

MISSION STATEMENT: The Fleet Services Division meets the transportation and equipment needs of city departments by providing effective maintenance and repair services, managing fuel operations, acquiring new vehicles and equipment, and operating city motor pools.

KEY MEASURES OF PERFORMANCE

Key Outputs

Perform scheduled vehicle maintenance services.

• Number of maintenance services performed	5,461	6,500	5,300	5,300	5,300
• Percent of preventive maintenance services performed on city fleet vehicles	97%	95%	97%	97%	97%

Acquire new vehicles to replace older vehicles.

• Number of replacement vehicles acquired	263	110	248	250	250
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GENERAL SERVICES

Fleet Services (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Purchase new vehicles that operate on clean burning, less expensive, compressed natural gas (CNG).					
• Number of CNG vehicles purchased	3	10	2	4	4
Perform emission inspections (including any associated repairs) on city vehicles to ensure compliance with state emission standards.					
• Number of emission inspections conducted	1,496	2,300	1,500	1,500	1,500
Conduct reviews of city fleet utilization.					
• Number of reviews conducted	2	2	2	2	2
Locate, purchase, and deliver non-stock items.					
• Number of orders completed	6,356	8,600	6,000	5,800	5,800
Key Outcomes					
Evaluate vehicle problem and provide estimated completion date to customer at time unit is given to Fleet Services for repair.					
• Percentage of customers provided estimated completion date	N/A	100%	100%	100%	100%
• Percentage of vehicles returned to customer by estimated date	N/A	70%	70%	100%	100%
Notify customer of any extension to the estimated repair completion date within one working day after that information is known.					
• Percentage of customers notified of extensions within one working day	N/A	80.0%	80.0%	82.5%	85.0%
Complete fleet repairs within established industry labor time standards.					
• Percent of repairs within standards	92%	92%	93%	95%	95%

Fleet Services (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Ensure availability of safe, well maintained fleet vehicles.					
• Percent of vehicles available					
◇ Public Safety	96.1%	92.0%	95.0%	95.0%	95.0%
◇ All Other	95.4%	90.0%	95.0%	95.0%	95.0%
◇ Total	95.6%	90.0%	95.0%	95.0%	95.0%
Reduce the size of the city's fleet by recommending the reassignment or removal from service of underutilized fleet units.					
• Number of vehicles reassigned to achieve more efficient use	8	10	10	10	10
• Number of vehicles removed from service	59	10	10	10	10
Operate fleet vehicles on clean burning, less expensive, compressed natural gas, resulting in cleaner air and the efficient use of natural resources.					
• Total CNG vehicles	146	165	138	140	135
• Percent of light duty units operating on CNG	9%	9%	9%	9%	9%
Fulfill customer requirements for inventory items.					
• Percent of special non-stock items located, purchased, and delivered within two working days of request	93%	94%	92%	94%	94%

RESOURCE SUMMARY

Position Resources	106.00	95.00	96.00	108.00	108.00
Financial Resources					
Fleet Replacement - Certificates of Participation*	\$ -0-	\$ -0-	\$ -0-	\$ 9,719,120	\$ 9,811,400

*Prior to Fiscal Year 2005, the net budgets for Fleet Services were zero because the costs of both vehicle maintenance and acquisition were paid by departments through interactivity transfers. In Fiscal Years 2005 and 2006, fleet acquisition is budgeted in Fleet Services to allow vehicle replacement to occur with Certificate of Participation funding. See Appendix B for budget details.

COMMUNICATIONS

MISSION STATEMENT: The Communications Division provides continuous 9-1-1 and emergency dispatching services to City of Tucson residents, visitors, and other regional public safety agencies, and maintains reliable and cost-effective voice and data communications systems to support city departments in delivering public services.

KEY MEASURES OF PERFORMANCE

Key Outputs

Receive 9-1-1 calls for fire, medical, or police assistance.

• Number of calls received	572,612	608,000	597,700	622,800	647,950
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Provide computer-aided dispatch services for fire and emergency medical units.

• Number of fire and emergency medical calls dispatched	83,896	88,000	87,750	91,600	95,450
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Provide 9-1-1 public education presentations to schools and community groups.

• Number of presentations	65	90	60	60	60
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Key Outcomes

Respond to major communication system failures including microwave, fiber network, automatic vehicle location, and fuel system.

• Percent responded to within one hour	100%	100%	100%	100%	100%
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Achieve a superior rating for emergency medical dispatch services by performing quality assurance reviews in accordance with a nationally recognized scoring system.

• Percent of quality assurance reviews receiving superior rating	91%	91%	91%	91%	91%
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Repair major communications systems including microwave, fiber network, automatic vehicle location, and fuel systems within 12 hours.

• Percent of systems returned to service within 12 hours	100%	100%	100%	100%	100%
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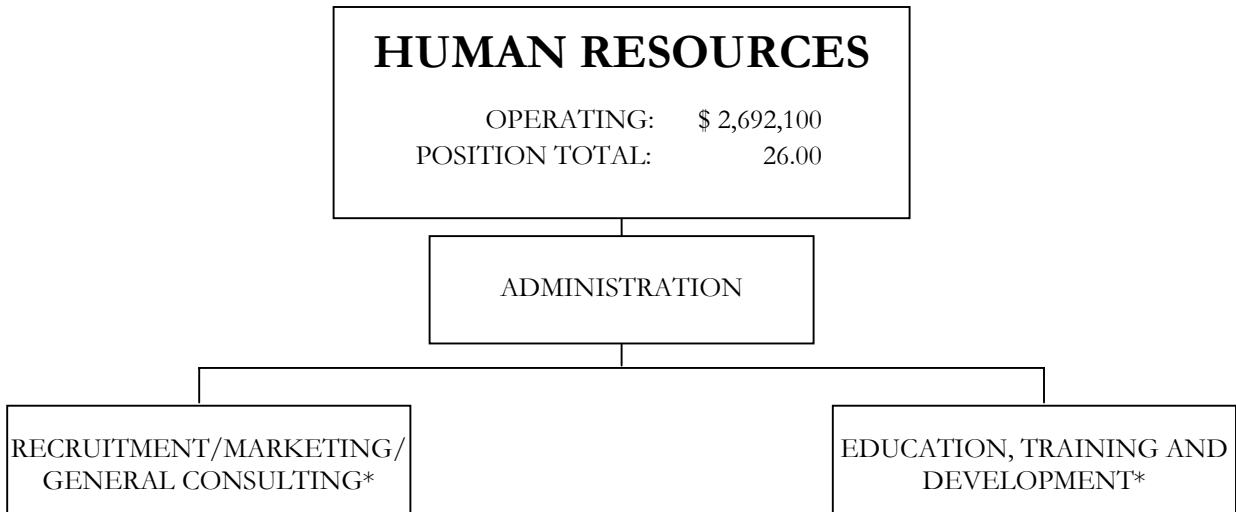
Ensure effectiveness of 9-1-1 presentations.

• Percent of surveyed respondents indicating that the information presented was useful and remembered	100%	100%	100%	100%	100%
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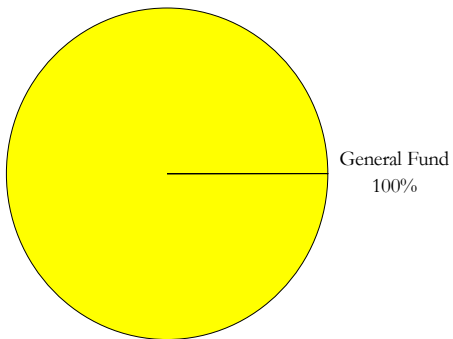
Communications (Continued)

RESOURCE SUMMARY

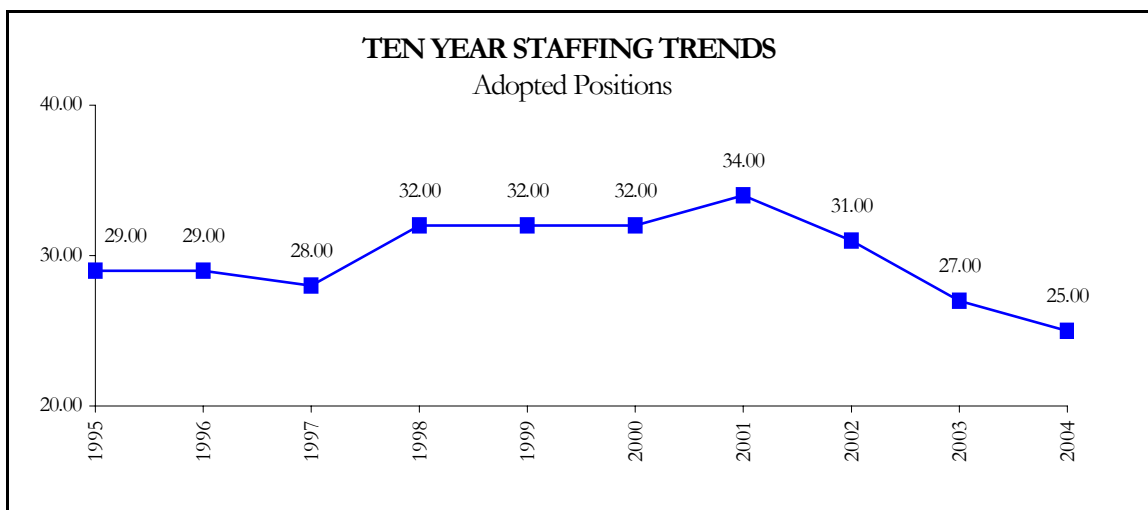
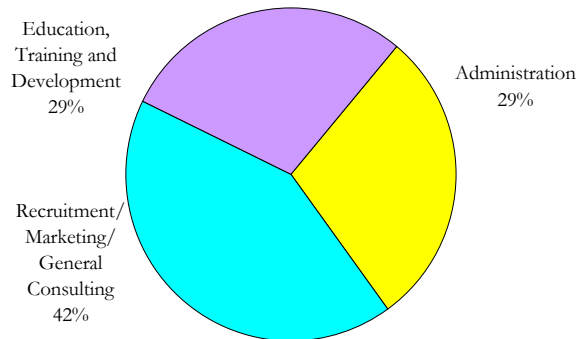
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	114.00	117.00	117.00	105.00	105.00
Financial Resources					
General Fund	\$ 7,138,885	\$ 6,781,310	\$ 6,396,150	\$ 6,530,070	\$ 6,850,180
General Fund: Restricted	-0-	98,770	72,920	48,910	-0-
Financial Resources Total	<u>\$ 7,138,885</u>	<u>\$ 6,880,080</u>	<u>\$ 6,469,070</u>	<u>\$ 6,578,980</u>	<u>\$ 6,850,180</u>



FINANCING PLAN



PROGRAM ALLOCATION



*Recruitment/Marketing/General Consulting was previously titled Employment and Compensation; and Education, Training and Development was previously titled Employee Development.

HUMAN RESOURCES

MISSION STATEMENT: To ensure that highly qualified individuals are recruited, educated, developed, and retained for all city departments that, in turn, provide service to the community.

OVERVIEW

The Human Resources Department is the centralized personnel source for the City of Tucson, serving city departments and offices by recruiting, training, and retaining a highly qualified and diverse workforce. The department provides personnel policy development, administration, direction, and guidance to the organization and is responsible for effectively communicating with employees and applicants regarding their rights, responsibilities, opportunities, and benefits. Personnel services are delivered to all levels of the organization through the divisions of Administration, Recruitment/Marketing/General Consulting, and Education, Training and Development. The department provides staff support to the city's Civil Service Commission for appeal hearings and to the City Manager's Office for all employee grievance matters.

DEPARTMENT HIGHLIGHTS

Civil Service Rule Modernization: In partnership with Civil Service Commissioners, Human Resources (HR) has begun to modernize the rules and regulations that govern the city's employment practices. The rule changes are intended to provide greater flexibility and allow the city to be guided by the commission's overarching principles and the professional and ethical principles of the human resources profession. Administrative actions are now delegated to the Director of Human Resources, changing the role of the commission to one of a policy making board. Additionally, the amended rules will give the ability to respond to the unique needs of each department when providing services.

Job Description Update and Reclassification Reviews: In partnership with all departments and offices, HR has completed a citywide review and update of all classification descriptions (approximately 500) for its workforce. Additionally, in conjunction with the annual budget process, staff has reviewed over 80 individual positions for proper classification placement as requested by departments. This work accomplishes the accurate communication of job duties for several purposes including recruitment announcements, performance evaluation, and employee compensation. This work is one of many elements that will assist the organization move towards effective use of its human talent.

Technology: Human Resources is implementing several service improvements by using technology. Job seekers are now able to submit an employment application on-line. Other planned technological improvements include a streamlined applicant data management/tracking system, an upgrade to the existing personnel/payroll system for automated employee records maintenance, and the installation of computers in the city's Employment Center for public use.

Training: Human Resources has implemented an on-going series of training sessions designed to educate managers and supervisors in "best practice" methods for consistent HR management of employees across the organization. Labeled "Conversations with HR," sessions cover HR policies, rules, procedures and applicable laws. These sessions also lead to greater discussions about issues and concerns that face managers and employees on a daily basis.

Recruitment Marketing Enhancements: Human Resources has launched a marketing campaign to increase exposure and draw a high quality of talent to our organization. Marketing campaign elements include increased job fair attendance, targeted and strategic advertising through a variety of media sources, and targeted mailings.

HUMAN RESOURCES

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Organizational Support

The Human Resources Department serves and supports all departments in the organization. Providing effective personnel services to city departments allows those departments to provide needed services to the community.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
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POSITION SUMMARY

PERMANENT

Administration	4.00	4.00	9.00	9.00	9.00
Recruitment/Marketing/General Consulting	12.00	12.00	12.00	12.00	12.00
Employee Relations/Classification and Compensation/Training	6.00	4.00	-0-	-0-	-0-
Education, Training and Development	5.00	5.00	5.00	5.00	5.00
Department Total	27.00	25.00	26.00	26.00	26.00

FINANCIAL SUMMARY

Administration	\$ 901,809	\$ 647,860	\$ 845,250	\$ 787,470	\$ 819,750
Recruitment/Marketing/General Consulting	771,501	841,510	704,970	1,120,610	1,185,690
Employee Relations/Classification and Compensation/Training	488,697	279,300	159,930	-0-	-0-
Education, Training and Development	761,749	754,470	790,960	784,020	810,640
Department Total	\$ 2,923,756	\$ 2,523,140	\$ 2,501,110	\$ 2,692,100	\$ 2,816,080

CHARACTER OF EXPENDITURES

Personal Services	\$ 1,831,911	\$ 1,677,110	\$ 1,661,970	\$ 1,808,320	\$ 1,932,600
Services	947,499	635,970	635,210	649,190	649,170
Commodities	122,955	223,350	197,430	227,500	227,500
Equipment	14,992	-0-	-0-	-0-	-0-
Other	6,399	6,500	6,500	6,500	6,500
Inter-Activity Transfers	-0-	(19,790)	-0-	590	310
Department Total	\$ 2,923,756	\$ 2,523,140	\$ 2,501,110	\$ 2,692,100	\$ 2,816,080

SOURCE OF FUNDS

General Fund	\$ 2,923,756	\$ 2,523,140	\$ 2,501,110	\$ 2,692,100	\$ 2,816,080
Department Total	\$ 2,923,756	\$ 2,523,140	\$ 2,501,110	\$ 2,692,100	\$ 2,816,080

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$2,692,100 reflects an increase of \$168,960 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance and pension increases. Funding has also been included to expand recruitment marketing and employee skills training.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$2,816,080 includes an increase of \$123,980 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance and pension increases.

ADMINISTRATION

MISSION STATEMENT: The Administration Division provides policy direction and guidance to all city managers, supervisors, and employees in personnel matters involving employee and labor relations to ensure consistent, fair, and equitable treatment of employees and job applicants. The division also verifies that all employment actions are in compliance with city policy, Civil Service Rules, and laws, and insures the accuracy of employment records. Through the Human Resources Director, staff support is provided to the Civil Service Commission.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide administrative staff support to the Civil Service Commission.					
• Number of quarterly and special business meetings	4	6	4	4	4
• Number of disciplinary appeal hearings	7	12	5	7	7
• Number of staff hours spent in support of Civil Service Commission activities	320	550	230	320	320
Review and update civil service rules and administrative policies regarding personnel matters.	3	10	10	1	1
Provide educational dialogue sessions regarding personnel matters facing managers and supervisors.					
• Number of annual “Conversations with HR” sessions.	N/A	20	20	20	20

HUMAN RESOURCES

Administration (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outcomes					
Provide policy direction and guidance on employee and labor relations to city management.					
• Civil service appeal decisions in support of management actions	71%	90%	80%	90%	95%
• Final grievance decisions in support of management actions	62%	90%	80%	90%	95%
Ensure that all personnel actions are processed within ten working days.					
• Number of transactions	13,569	11,100	6,100	11,100	11,100
• Percent of transaction processed correctly	N/A	98%	98%	98%	98%
• Percent processed on time	100%	100%	100%	100%	100%

RESOURCE SUMMARY

Position Resources	4.00	4.00	9.00	9.00	9.00
Financial Resources					
General Fund	\$ 901,809	\$ 647,860	\$ 845,250	\$ 787,470	\$ 819,750

RECRUITMENT/MARKETING/GENERAL CONSULTING

MISSION STATEMENT: The Recruitment/Marketing/General Consulting Division attracts highly qualified candidates for employment with the city. This is accomplished in partnership with departments through recruitment marketing, screening, and testing of applicants. Employment of highly qualified talent will bolster the city's ability to provide excellent services to the community.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Manage the employee selection processes.					
• Process all applications for permanent city jobs	5,350	9,000	7,000	5,500	7,000
• Provide departments with qualified candidates	2,497	4,000	3,000	2,500	3,000
• Complete civil service recruitment and testing processes	82	125	100	100	125
Provide facilitation services for grievance hearings.					
• Number of grievances facilitated	3	15	6	5	5
• Number of staff hours spent facilitating	60	300	120	100	100
Administer four union agreements for police, fire, labor/trades, and administrative/professional/technical/clerical employees.					
• Number of eligible police union members	920.0	950.5	890.0	900.0	900.0
• Number of eligible fire union members	497	523	506	530	530
• Number of eligible labor/trade union members	845	968	862	850	850
• Number of eligible administrative/professional/technical/clerical union members	1,586	1,360	1,571	1,550	1,550
Review and update job descriptions.	500	500	500	10	10
Perform reclassification reviews of positions as requested by departments in conjunction with the annual budget process.	N/A	80	80	40	30
Perform reclassification reviews of positions as requested by departments outside of the annual budget process.	N/A	5	5	5	5

HUMAN RESOURCES

Recruitment/Marketing/General Consulting (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outcomes					
Provide an effective recruitment process.					
• Percent of applicants for jobs that are satisfied with the service provided by the department	95%	90%	95%	95%	95%
• Percent of hiring supervisors satisfied with the quality of applicants referred for hiring consideration	76%	90%	95%	95%	95%
• Percent of employees passing their probationary period	95%	90%	95%	95%	95%

RESOURCE SUMMARY

Position Resources	12.00	12.00	12.00	12.00	12.00
Financial Resources					
General Fund	\$ 771,501	\$ 841,510	\$ 704,970	\$ 1,120,610	\$ 1,185,690

EMPLOYEE RELATIONS/CLASSIFICATION AND COMPENSATION/TRAINING*

MISSION STATEMENT: The Employee Relations/Classification and Compensation/Training Division assists employees and management in addressing and resolving questions and concerns related to city employment; facilitates employee grievance processes and disability accommodations; and assists with employee labor relations activities including union/management interactions, negotiations, and contract agreement interpretations; develops and maintains the city's classification system, and develops and recommends compensation strategies that support the organizational objectives.

RESOURCE SUMMARY

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Position Resources	6.00	4.00	-0-	-0-	-0-
Financial Resources					
General Fund	\$ 488,697	\$ 279,300	\$ 159,930	\$ -0-	\$ -0-

*Employee Relations/Classifications and Compensation/Training were merged with Recruitment/Marketing/General Consulting in Fiscal Year 2004.

EDUCATION, TRAINING AND DEVELOPMENT

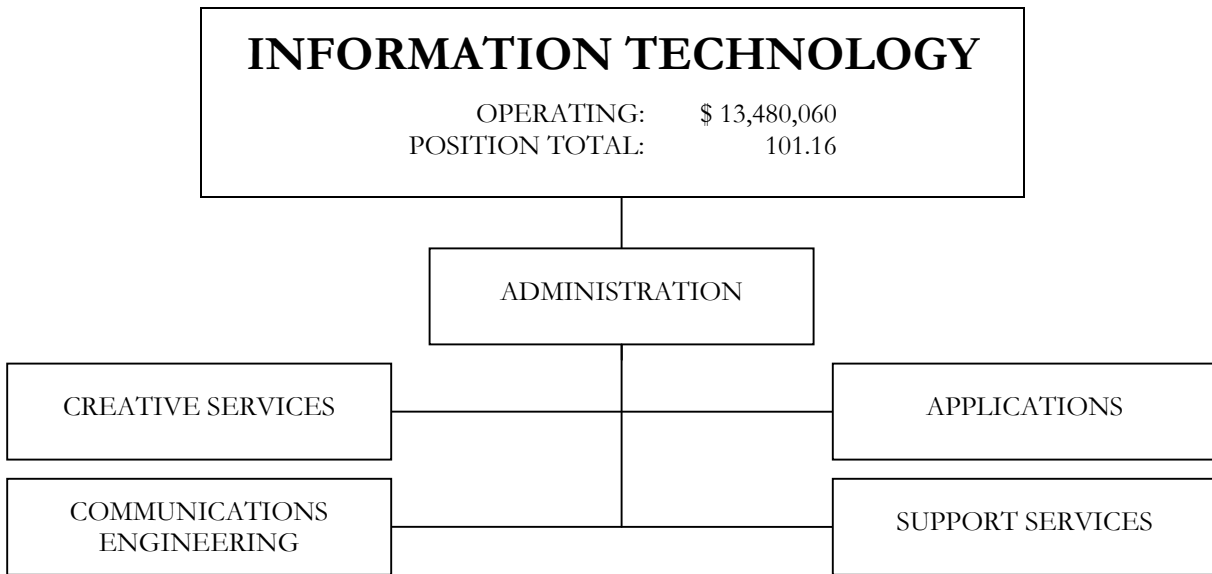
MISSION STATEMENT: The Education, Training and Development Division assists City of Tucson employees to improve their performance by providing opportunities for training and education that support individual, team and organizational development.

KEY MEASURES OF PERFORMANCE

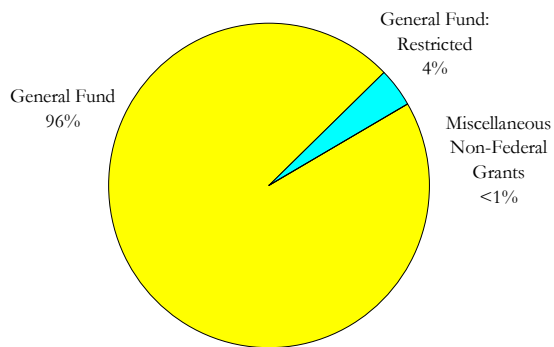
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide training programs hours for :					
• New Employee Welcome	3,005	5,000	5,000	5,000	5,000
• Professional Development	2,138	2,200	2,200	3,000	3,000
• Communication	1,614	1,600	1,600	1,600	1,600
• Occupational Skill Develop	1,197	1,200	1,200	1,200	1,200
• Wellness	522	600	600	600	600
• Customer Service	1,122	800	800	800	800
• Foundations for Leadership	2,590	2,600	2,600	2,600	2,600
• Supervisory Programs	3,969	4,000	4,000	4,700	4,700
• Number of participants (including tuition reimbursement)	1,161	1,250	1,500	1,700	1,750
• Hours of training provided	16,353	23,150	18,000	19,500	20,000
Key Outcomes					
Provide training and services to improve employee productivity and effectiveness.					
• Percent of all participants (supervisory and non-supervisory) who indicated improvement in job performance as a result of training received	93%	95%	95%	95%	95%

RESOURCE SUMMARY

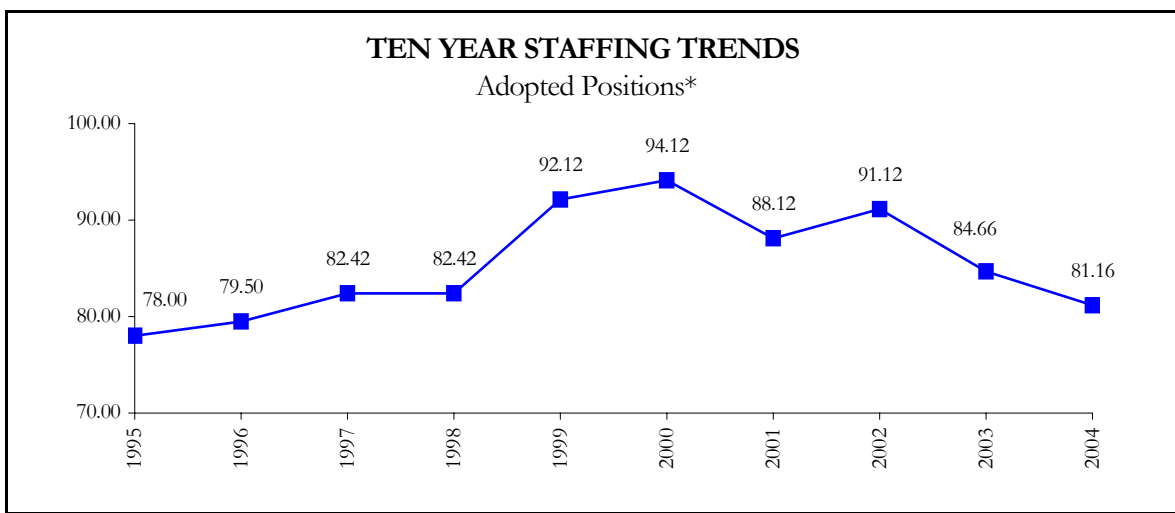
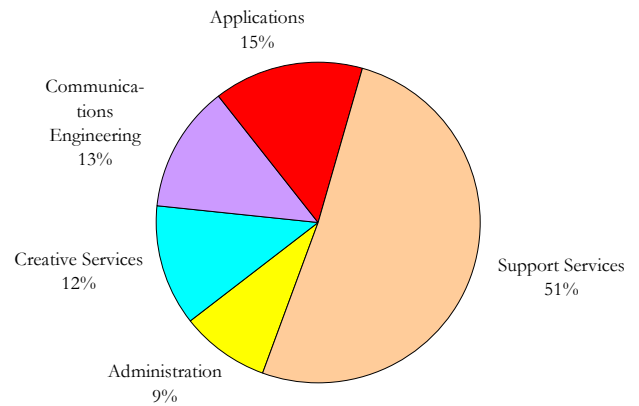
Position Resources	5.00	5.00	5.00	5.00	5.00
Financial Resources					
General Fund	\$ 761,749	\$ 754,470	\$ 790,960	\$ 784,020	\$ 810,640



FINANCING PLAN



PROGRAM ALLOCATION



*During Fiscal Year 2002, Creative Services was realigned as a division of the Information Technology Department. Prior to the realignment, it was the Community Relations Office under the Support Services group. For comparative purposes, the combined staffing levels are shown.

INFORMATION TECHNOLOGY

MISSION STATEMENT: To partner with other organizations and lead in the delivery of effective government services.

OVERVIEW

The Information Technology (IT) Department is the City of Tucson's central technology provider. The department's responsibilities are organized around the philosophy that a central technology department should provide those services requiring an enterprise view and assist departments in providing those services requiring specialty knowledge, such as business system support. To this end, the department has two primary responsibilities. The first is to provide the central information technology services required by city departments and offices, including data center operations, network services, business application development and maintenance, end user support for personal computers (PCs), strategic technology investigation, project oversight, and contract administration for the city's telecommunications providers. The second is to provide the vision, leadership, and skills that will enable the City of Tucson to benefit from technological innovation and improve service to the community.

The Information Technology Department focuses on creating and managing a citywide integrated information network, shared by all levels of city government and where appropriate, by the public. The department is organized into five divisions: Administration, Creative Services, Communications Engineering, Applications, and Support Services. Services provided to all city departments include information strategy consulting, e-mail, and support for core city business applications, high-speed data communications, and video and graphics production. This support provides city employees greater access to information, more efficient ways to transact city business, and easier communication avenues both with city departments and with community members. The department also promotes the development and expansion of Tucson's telecommunications infrastructure, and serves as liaison to the Access Tucson board of directors.

DEPARTMENT HIGHLIGHTS

The department is an active and visible participant in the community and an important voice in the city regarding electronic government strategies. The department, in partnership with other city departments, will help the city apply technology solutions to leverage limited resources. The department will also contribute to technology-related economic development efforts throughout the community. To this end, the department will:

- Pursue the city's electronic government strategy by implementing pilot systems that provide a foundation for electronic service delivery. This includes an electronic payment system that allows the city to accept payments over the Internet and a constituent relationship management system.
- Maximize the city's information technology investments through the IT Customer Advisory Board and working with the board to prioritize and integrate IT projects.
- Work with the Information Technology Association of Southern Arizona (ITASA), the Tucson Chamber of Commerce, the Greater Tucson Economic Council, and other community partners to assist local businesses in both understanding and using technology, and expanding their markets.
- Manage and expand the City of Tucson's data network. The data network is the city's voice, data, and video communications infrastructure. It connects 90 facilities, including all city buildings, neighborhood centers, libraries, and schools. Citizens can access this high-speed network from public computers located in neighborhood centers and libraries.
- Increase the city's ability to analyze complex, interrelated community information using Geographic Information Systems (GIS). The department will accomplish this by continuing to support the city's award-winning GIS cooperative with systems and database expertise, and expanding the city's citizen information system, City Scan.

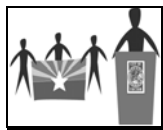
Department Highlights (Continued)

- Assist city departments implementing new business systems, including the finance and human resources/payroll systems. These new systems will dramatically enhance productivity and responsiveness.
- Continue the Technical Intern Program, which provides training and technical employment for students from Pima Community College, the University of Arizona, and Tucson area high schools.

The Emergency Communications System and Facility Project continues with proposals and awards for the replacement of digital microwave, fire mobile data, and computer aided dispatch.

The functions of the Communications Division's Telecommunications Systems and Data Services were reassigned to Information Technology from General Services. The Division of Technical Planning and Resources was also transferred to Information Technology.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Engaged Community and Responsive Government

The Information Technology Department is dedicated to ensuring citizens have access to electronic government services. Applying cost-effective technologies like GIS, the department promotes resource sharing among city, county, and state organizations, and improves service delivery. The City of Tucson Internet home page instantly provides information to Tucson citizens and allows them to submit comments or questions to policymakers. The department is also leading the city's efforts to provide government services over the Internet.

The IT Department also notifies the public and encourages public participation by producing live Mayor and Council meetings on Channel 12, promoting city events and services through Channel 12 programming and Community Bulletin Board, producing and airing *12 Answers*, ensuring direct access to city offices through the *InfoGuide* (a city service directory), and providing 24-hour access to city information plus on-line opportunities for citizen feedback through the city's Web site.

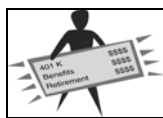
Creative Services produces a 12-minute monthly program, *12 Answers*, that urges viewers to talk about the key issues affecting our community. *12 Answers* has an interactive online forum that allows citizens to weigh in on the issues.



Goal: Excellent Public Education

Advances in information technology emphasize the importance of lifelong learning. Educational institutions, including libraries and museums, are rethinking their approach to education and their support of nontraditional students. The Information Technology Department supports these efforts by providing high-speed Internet access to local libraries and neighborhood centers across a single network. The department is also working in a collaborative partnership to connect high schools, Pima Community College, and the University of Arizona through an educational network.

Support For Livable Tucson Goals (Continued)



Goal: Better Paying Jobs

The department is preparing residents for better paying jobs through the Technical Intern program. The program provides students hands-on training in not only technical skills, but also professional skills, such as project management and participating in project teams that are in such high demand in today's job market. Interns from Pima Community College, the University of Arizona, and Tucson area high schools earn a salary above the living wage and network with other interns as they prepare for the workplace.

Using public systems at libraries, council offices, and neighborhood centers, citizens can access the Internet to identify opportunities and prepare themselves for high-paying jobs in technology-dependent industries.

Surplus hardware is donated to local non-profit organizations that work with citizens to further technical skill development.



Goal: Strong Local Business

The department is a strong partner in the community-wide program to attract technology companies to Tucson. As a leader in the Information Technology Association of Southern Arizona (ITASA), the department is helping local businesses understand and use technology, and expand markets for their products. The department is an important voice in city policy regarding electronic commerce.



Goal: People Oriented Neighborhoods

Creative Services promotes neighborhood activities on the city's Web page, links to neighborhood Web sites and activities, announcements on the Channel 12 graphic bulletin board "Community Calendar", and video stories on *CityNews*. In addition, Creative Services provides on-going assistance with public awareness for Back to Basics projects.



Goal: Successful Downtown

Creative Services provides calendars for downtown events on the city's Web page and on the Channel 12 graphic bulletin board "Community Calendar." Creative Services also produces a 12-minute monthly program, *The Beat*, spotlighting the rhythm of Downtown and Rio Nuevo developments.

INFORMATION TECHNOLOGY

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Administration	9.50	7.50	8.50	8.50	8.50
Creative Services	13.00	13.00	13.00	13.00	13.00
Communications Engineering*	2.00	2.00	1.00	21.00	21.00
Applications	23.00	24.00	24.00	24.00	24.00
Support Services	35.00	33.00	33.00	33.00	33.00
Permanent Total	82.50	79.50	79.50	99.50	99.50
NON-PERMANENT					
Creative Services	1.66	1.66	1.66	1.66	1.66
Support Services	0.50	-0-	-0-	-0-	-0-
Non-Permanent Total	2.16	1.66	1.66	1.66	1.66
Department Total	84.66	81.16	81.16	101.16	101.16

FINANCIAL SUMMARY

Administration	\$ 833,093	\$ 1,050,610	\$ 1,039,210	\$ 1,180,900	\$ 1,174,480
Creative Services	1,531,476	1,651,500	1,445,360	1,550,500	1,610,470
Communications Engineering*	323,540	175,870	84,040	1,820,050	1,931,710
Applications	1,692,981	1,841,300	1,872,800	1,994,960	2,121,330
Support Services	5,933,779	6,346,790	6,337,740	6,933,650	7,127,430
Department Total	\$ 10,314,869	\$ 11,066,070	\$ 10,779,150	\$ 13,480,060	\$ 13,965,420

CHARACTER OF EXPENDITURES

Personal Services	\$ 5,615,138	\$ 5,800,130	\$ 5,651,400	\$ 7,613,970	\$ 8,127,520
Services	3,171,618	3,896,840	3,873,840	7,501,640	7,582,310
Commodities	1,451,321	1,456,280	1,484,790	1,604,460	1,604,490
Equipment	565,076	743,410	534,710	594,240	594,240
Inter-Activity Transfers	(488,284)	(830,590)	(765,590)	(3,834,250)	(3,943,140)
Department Total	\$ 10,314,869	\$ 11,066,070	\$ 10,779,150	\$ 13,480,060	\$ 13,965,420

SOURCE OF FUNDS

General Fund	\$ 9,839,376	\$ 10,551,380	\$ 10,379,650	\$ 12,975,850	\$ 13,461,500
General Fund: Restricted	475,493	514,690	399,500	474,210	473,920
Miscellaneous Non-Federal Grants	-0-	-0-	-0-	30,000	30,000
Department Total	\$ 10,314,869	\$ 11,066,070	\$ 10,779,150	\$ 13,480,060	\$ 13,965,420

*To improve organizational efficiency the communications and network functions have been consolidated in Information Technology by transferring data services, telecommunications systems, communications engineering, and network design from the General Services Department.

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$13,480,060 reflects an increase of \$2,413,990 from the Fiscal Year 2004 Adopted Budget. A major part of this increase is due to the transfer of various telecommunication and networking functions from the General Services Department, including \$1,623,620 and 20 positions. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases. Other significant changes are as follows:

- ◆ Continuing to maintain our technology system as warranties expire will require an increase of \$313,910.
- ◆ Meeting demand for faster and better public and employee access to information systems require an investment of \$250,000 in technology.
- ◆ Capacity to expand agreements with other agencies to provide networking and fiber optic services adds \$100,000.

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$13,965,420 includes an increase of \$485,360 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

ADMINISTRATION

MISSION STATEMENT: The Administration Division provides leadership, strategic direction, planning, and support in the development and use of information technology.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Ensure information technology programs are effective, on time, and within budget by creating and applying technical and project standards.					
• Percent of acquisition projects reviewed within five days	95%	95%	95%	95%	95%
• Number of projects	7	4	4	4	4
Ensure technology support roles and responsibilities are defined through service agreements with customer departments.					
• Percent of customer departments with service agreements	80%	100%	100%	100%	100%

INFORMATION TECHNOLOGY

Administration (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Provide enterprise-wide review and prioritization of technology initiatives through customer advisory and executive oversight boards.					
• Percent of new projects reviewed by customer advisory board	N/A	N/A	N/A	100%	100%
Continue to encourage regional GIS solutions by sponsoring and providing budget oversight for the GIS Cooperative.					
• Number of projects (including awareness, education, and training efforts) completed by the co-op.	N/A	N/A	N/A	5	5
Key Outputs					
Improve the technical skills of Tucson's workforce through the Technical Intern Program.					
• Number of interns participating in the program	3	12	3	3	3
Key Outcomes					
Improve government services by providing appropriate technical solutions.					
• Percent of decrease in telephone inquiries to the Development Services Department about development activity due to online availability of data	10%	30%	30%	30%	30%
• Percent of customers accessing on-line inspection information	30%	30%	30%	30%	30%
• Number of customers accessing on-line telephone directory	6,000	7,000	7,000	7,000	7,000

RESOURCE SUMMARY

Position Resources	9.50	7.50	8.50	8.50	8.50
Financial Resources					
General Fund	\$ 833,093	\$ 1,050,610	\$ 1,039,210	\$ 1,150,900	\$ 1,144,480
Miscellaneous Non-Federal Grants	-0-	-0-	-0-	30,000	30,000
Financial Resources Total	\$ 833,093	\$ 1,050,610	\$ 1,039,210	\$ 1,180,900	\$ 1,174,480

CREATIVE SERVICES

MISSION STATEMENT: The Creative Services Division is responsible for assisting departments and offices in reaching the public with specific city information and encouraging citizens to get involved in their city government. These tasks are accomplished by producing a variety of television programs which highlight the work of city departments and the weekly deliberations of the Mayor and Council, creating graphic and written materials that explain city services, working with the media to cover city stories, designing and writing an Internet Web site, and publishing a weekly CityPage of events and activities that encourages public participation.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Assist city departments and offices by producing educational information and providing up-to-the-minute news to citizens and other key audiences.					
• Produce live coverage for Mayor and Council meetings (hours)	292	360	300	300	300
• Create video programs: <i>CityNews</i> , <i>OnScene</i> , <i>In Motion</i> , <i>The Beat</i> , <i>12 Answers</i> , <i>Pet Connection</i> , public service announcements, and training shows	73	90	96	108	108
• Create <i>Community Bulletin Board</i> messages on Channel 12	737	400	800	800	800
• Design graphics projects	441	630	612	600	600
• Generate press releases and calls to the media	N/A	260	260	260	260
• Create and post new <i>Hot Topics</i> on the city's Web site	250	280	280	280	280
• Respond to inquiries on the city's Web site	1,400	2,000	2,000	2,000	2,000
Key Outcomes					
Provide citizens and other key audiences with information about City of Tucson programs and services and where to find more detailed city information to meet their needs.					
• Percent of Cox Cable survey respondents familiar with programming on the city channel	N/A	98%	98%	98%	98%
• Number of Cox Cable survey respondents who are regular/occasional viewers of Mayor and Council meetings	N/A	56,000	60,000	60,000	60,000

INFORMATION TECHNOLOGY

Creative Services (Continued)

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
• Number of city news stories covered by broadcast television and print media	600	450	450	450	450
• Percent of stray animals adopted after appearing on Channel 12's <i>Pet Connection</i>	97%	97%	97%	97%	97%

RESOURCE SUMMARY

Position Resources	14.66	14.66	14.66	14.66	14.66
Financial Resources					
General Fund	\$ 1,156,483	\$ 1,146,310	\$ 1,120,360	\$ 1,225,500	\$ 1,285,470
General Fund: Restricted	374,993	505,190	325,000	325,000	325,000
Financial Resources Total	<u>\$ 1,531,476</u>	<u>\$ 1,651,500</u>	<u>\$ 1,445,360</u>	<u>\$ 1,550,500</u>	<u>\$ 1,610,470</u>

COMMUNICATIONS ENGINEERING*

MISSION STATEMENT: The Communications Engineering Division provides design and oversight construction management for police, fire, emergency medical services, and city public services in the building of communications systems including wireless networks, two-way radio, fiber optic, and microwave. The division also monitors contracts, licenses, leases, and franchises with telecommunications providers operating within City of Tucson jurisdiction.

KEY MEASURES OF PERFORMANCE

Key Outputs

Ensure quality cable telecommunications services are provided to the community by effectively resolving all customer complaints not resolved by Cox Communications, monitoring the system expansion design, and working with Cox Communications to develop excellent customer service.

• Number of complaints/inquiries	200	150	150	150	150
• Percent responded to within two working days	99%	99%	99%	99%	99%
• Percent resolved within 30 days	99%	99%	99%	99%	99%
• Number of joint meetings held with Cox Communications	12	12	12	12	12

*To improve organizational efficiency the communications and network functions have been consolidated in Information Technology by transferring data services, telecommunications systems, communications engineering, and network design from the General Services Department.

Communications Engineering (Continued)**KEY MEASURES OF PERFORMANCE**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Improve Tucson's economic development efforts, increase competition, and improve customer service by encouraging new telecommunications companies to submit license applications.					
• Number of providers inquiring about City of Tucson licensing	15	5	5	5	5
Promote, encourage, and process licenses for new cable television providers, competitive local exchange carriers, and long distance carriers.					
• Number of licensed cable companies	2	3	3	2	2
• Number of long distance carriers	15	16	16	2	2
Design and review telecommunication systems (fiber optics, local and wide area networks, microwave, and radio).					
• Number of systems designed and reviewed	12	12	12	12	12
Key Outcomes					
Encourage telecommunications infrastructure expansion.					
• Estimated dollar value of fiber optic network expansion (\$000s)	\$ 61,250	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
• Number of cellular towers approved for installation on city property	6	5	5	5	5
Achieve an excellent rating for services delivered by the division in a survey of department representatives.					
• Percent of services receiving excellent rating	95%	95%	95%	95%	95%

RESOURCE SUMMARY

Position Resources	2.00	2.00	1.00	21.00	21.00
Financial Resources					
General Fund	\$ 223,040	\$ 166,370	\$ 74,540	\$ 1,770,840	\$ 1,882,790
General Fund: Restricted	100,500	9,500	9,500	49,210	48,920
Financial Resources Total	\$ 323,540	\$ 175,870	\$ 84,040	\$ 1,820,050	\$ 1,931,710

APPLICATIONS

MISSION STATEMENT: The Applications Division ensures proper citywide coordination, utilization, and exploitation of existing and emerging technology for city departments and the citizens of Tucson by providing insight, counsel, project management, application development and implementation, database management, and on-going information technology support.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Complete all database projects within one week of scheduled date.					
• Number of projects	60	60	60	60	60
• Percent of projects completed on time	90%	90%	90%	90%	90%
Complete all application projects within one week of scheduled date.					
• Number of projects	80	70	70	70	70
• Percent of total projects	90%	90%	90%	90%	90%
Key Outcomes					
Minimize disruption of normal city business and customer service provision by maintaining reliable system availability and timely information delivery to customers within pre-negotiated parameters.					
• Number of projects maintained	120	120	120	120	120
• Percent maintained within parameters	90%	90%	90%	90%	90%

RESOURCE SUMMARY

Position Resources	23.00	24.00	24.00	24.00	24.00
Financial Resources					
General Fund	\$ 1,692,981	\$ 1,841,300	\$ 1,872,800	\$ 1,994,960	\$ 2,121,330

SUPPORT SERVICES

MISSION STATEMENT: The Support Services Division ensures a stable and secure computing environment for city departments and staff by designing and providing reliable networks, help-desk services, desktop tool support, customer training, timely printed materials, and reliable and cost-effective telephone systems.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Ensure mainframe, network, and all local area networks and servers managed by this division are available during prime-use hours (Monday through Friday, 7:00 a.m. - 6:00 p.m.).					
• Number of hours available	2,831	2,831	2,831	2,831	2,831
• Total prime-use hours	2,860	2,860	2,860	2,860	2,860
Process routine reports, customer notifications, and customer billings on schedule by maintaining system availability of 96% during non-prime-use hours (Monday through Friday, 6:00 p.m. - 7:00 a.m.).					
• Number of hours available	3,245	3,245	3,245	3,245	3,245
• Total non-prime use hours	3,380	3,380	3,380	3,380	3,380
Ensure accurate city financial reports and customer billings through accurate key-punching transactions.					
• Number of error-free transactions (000s)	878	878	878	878	878
• Total keypunch transactions (000s)	896	896	896	896	896
Ensure that desktop hardware service vendors respond to service requests within four hours.					
• Number responded to within four hours	335	350	350	350	350
• Total number of service requests	353	400	400	400	400

INFORMATION TECHNOLOGY

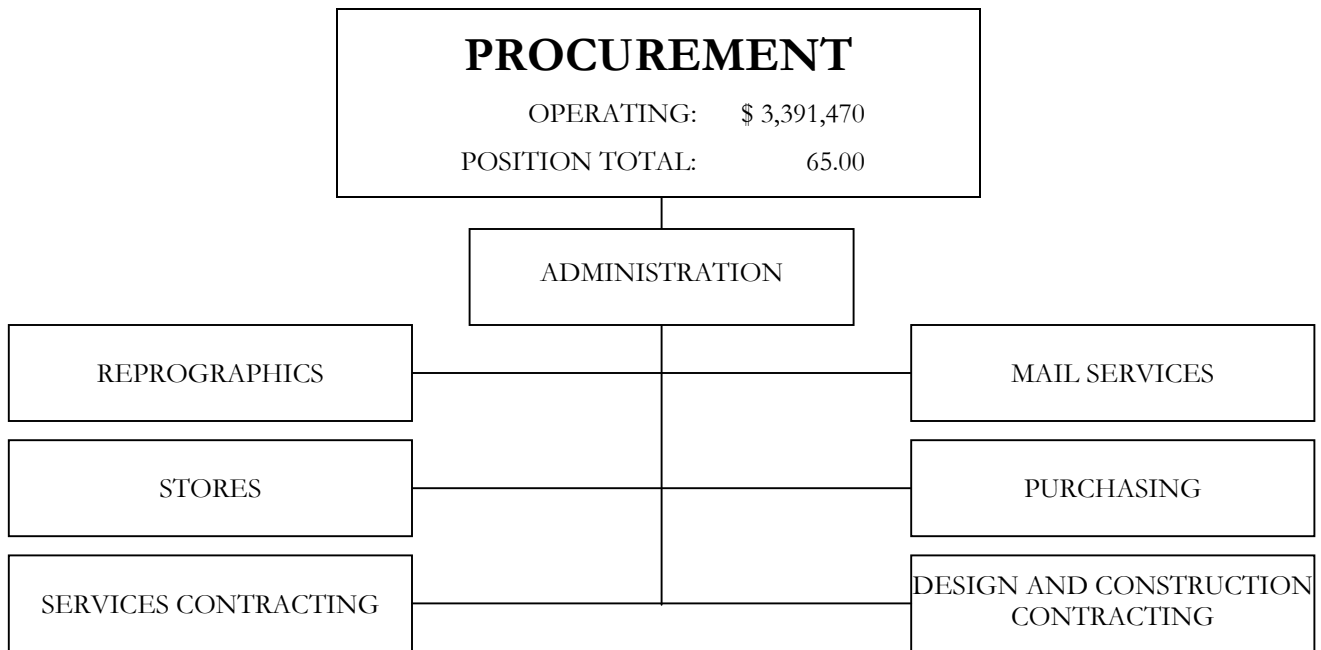
Support Services (Continued)

KEY MEASURES OF PERFORMANCE

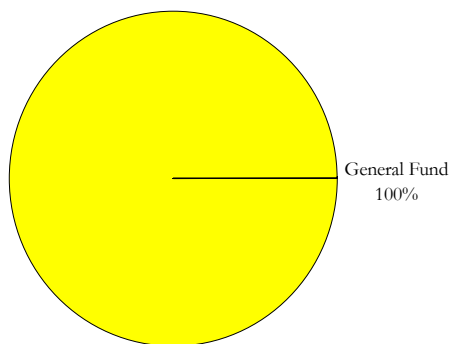
	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outcomes					
Ensure reliable and timely availability of computer hardware and software, and technical support for customers.					
• Percent of time local area networks and servers are available during prime-use hours (Monday through Friday, 7:00 a.m. - 6:00 p.m.)	99%	99%	99%	99%	99%
• Percent of customer calls for support resolved at time of call	60%	70%	70%	70%	70%
• Percent of on-site service calls responded to within four hours	95%	95%	95%	95%	95%
Achieve a level of 90% or greater departmental user satisfaction for telecommunications services.					
• Percent of surveyed customers indicating above average or excellent	86%	90%	90%	90%	90%
Ensure 99% availability to the Computer Aided Dispatch, Emergency Medical Billing System, and Field Reporting System server and applications.					
• Percentage	N/A	N/A	N/A	99.99%	99.99%
• Hours	N/A	N/A	N/A	875,912	875,912

RESOURCE SUMMARY

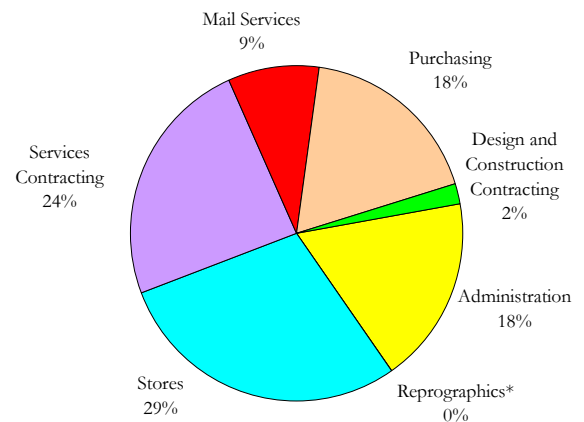
Position Resources	35.50	33.00	33.00	33.00	33.00
Financial Resources					
General Fund	\$ 5,933,779	\$ 6,346,790	\$ 6,272,740	\$ 6,833,650	\$ 7,027,430
General Fund: Restricted	-0-	-0-	65,000	100,000	100,000
Financial Resources Total	<u>\$ 5,933,779</u>	<u>\$ 6,346,790</u>	<u>\$ 6,337,740</u>	<u>\$ 6,933,650</u>	<u>\$ 7,127,430</u>



FINANCING PLAN



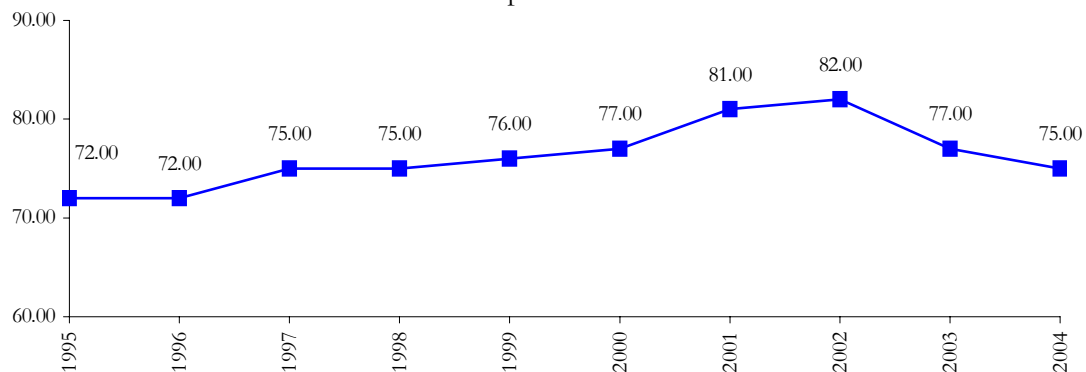
PROGRAM ALLOCATION



*See Appendix B for the Reprographics pre-credit budget detail.

TEN YEAR STAFFING TRENDS

Adopted Positions



PROCUREMENT

MISSION STATEMENT: To support city departments in meeting their goals by ensuring needed materials and services are available on time, of best value, and acquired with integrity.

OVERVIEW

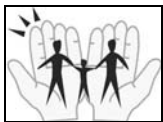
The Procurement Department strives to improve the efficiency and effectiveness of purchasing practices, maximize the purchasing value of public funds, and support city departments in accomplishing their missions. Policies promote environmentally-sensitive purchases, competition among vendors providing materials and services to the city, and local purchases to benefit the local economy. The Procurement Department includes the divisions of Administration, Reprographics, Stores, Services Contracting, Mail Services, Purchasing, and Design and Construction Contracting. Services provided by the Procurement Department include contracting for all supplies, materials, equipment, services, and construction, and providing in-house printing, inventories needed for daily operations, and distribution of interdepartment and postal mail.

DEPARTMENT HIGHLIGHTS

The Procurement Department has developed a Five-Year Strategic Plan to create an environment that promotes trust, confidence, and partnerships while meeting the diverse needs of its customers and the community. In conjunction with Procurement's strategic plan, four key result areas have been identified: maximize competition with professional integrity; increase customer satisfaction; continue improvement and best use of technology; and expand cooperative partnerships. In conjunction with its on-going automation plans, the Procurement Department is also focusing efforts on replacing the inventory management system. The replacement system will be part of an enterprise-wide software system.

The Procurement Department received the Achievement of Excellence in Procurement award from the National Purchasing Institute, one of only six purchasing organizations to receive the award for eight consecutive years.

SUPPORT FOR LIVABLE TUCSON GOALS



Goal: Reduced Poverty and Equality of Opportunity

The Procurement Department supports the city's Minority and Women Owned Business Enterprise Program (MWBE) through goals for construction services and a competitive bid preference to eligible MWBE firms. The department works closely with minority and women owned businesses in the community by participating in outreach and training programs to maintain contact with such vendors.



Goal: Strong Local Business

The Procurement Department, through competitive procurement practices, provides economic stimulation to the local business community. Specifically, the tax-offset program allows purchases to be evaluated by adding sales tax that would be paid to the taxing jurisdiction to the base bid of non-Tucson firms. This program represents up to a 3.2% tax-offset to Tucson vendors. Since its inception in 1990, over one million contract dollars have been awarded to Tucson vendors through the tax-offset program. In addition, since Fiscal Year 1992, the city has awarded an average 73% of annual purchases to vendors within the local metropolitan area.

Support for Livable Tucson Goals (Continued)



Goal: Efficient Use of Natural Resources

The Procurement Department purchases products that reduce the waste-stream, such as remanufactured toner cartridges, reloaded ammunition brass, recycled paper, restroom products, envelopes, polyethylene containers, trash can liners, and forms. The department also reduces the number of products in use through source reduction (e.g., purchase of energy saving lamps, environmentally-friendly reprographic products and processes, and alternate fuels). Management staff participates on the Environmental Management Program Board.



Goal: Better Paying Jobs

The Procurement Department supports the goal of better paying jobs through the Living Wage Ordinance adopted by Mayor and Council in September 1999. The Living Wage Ordinance requires that employees of city contractors providing specified services to the city be paid a living wage. The Living Wage Ordinance increases the ability of employees to support themselves and their families, decreases poverty, and reduces the need for taxpayer-funded social services in Tucson. The Procurement Department is responsible for monitoring compliance with the ordinance.



Goal: Organizational Support

The Procurement Department supports all city departments in accomplishing their missions by ensuring materials, equipment, services, and construction are acquired on time and are of best value.

DEPARTMENT RESOURCES

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
Administration	6.00	6.00	4.00	4.00	4.00
Reprographics	11.00	10.00	10.00	10.00	10.00
Stores	27.00	26.00	26.00	16.00	16.00
Services Contracting	10.00	10.00	10.00	10.00	10.00
Mail Services	6.00	6.00	6.00	6.00	6.00
Purchasing	12.00	12.00	11.00	11.00	11.00
Design and Construction Contracting	5.00	5.00	8.00	8.00	8.00
Department Total	77.00	75.00	75.00	65.00	65.00

Department Resources (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
FINANCIAL SUMMARY					
Administration	\$ 655,351	\$ 667,060	\$ 540,220	\$ 619,120	\$ 645,010
Reprographics*	92,489	-0-	(38,570)	-0-	-0-
Stores	1,150,684	909,590	804,070	984,910	989,890
Services Contracting	489,021	632,870	570,050	803,730	729,250
Mail Services	243,527	250,130	161,940	301,260	369,610
Purchasing	675,956	666,050	553,970	596,540	637,210
Design and Construction Contracting	116,946	64,460	247,930	85,910	93,560
Department Total	\$ 3,423,974	\$ 3,190,160	\$ 2,839,610	\$ 3,391,470	\$ 3,464,530

CHARACTER OF EXPENDITURES

Personal Services	\$ 3,447,430	\$ 3,266,450	\$ 2,977,820	\$ 3,967,610	\$ 4,221,080
Services	385,702	449,390	463,260	807,190	676,030
Commodities	2,104,157	2,264,420	2,221,130	2,277,800	2,277,860
Equipment	1,800	78,500	46,000	46,000	46,000
Inter-Activity Transfers	(2,515,115)	(2,868,600)	(2,868,600)	(3,707,130)	(3,756,440)
Department Total	\$ 3,423,974	\$ 3,190,160	\$ 2,839,610	\$ 3,391,470	\$ 3,464,530

SOURCE OF FUNDS

General Fund	\$ 3,423,974	\$ 3,190,160	\$ 2,839,610	\$ 3,391,470	\$ 3,464,530
Department Total	\$ 3,423,974	\$ 3,190,160	\$ 2,839,610	\$ 3,391,470	\$ 3,464,530

*The net budget for Reprographics is zero, because costs are recovered by charging other departments for printing services through inter-activity transfers. See Appendix B for budget details.

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$3,391,470 reflects an increase of \$201,310 from the Fiscal Year 2004 Adopted Budget. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, a 2% market-based compensation adjustment, coverage for health insurance, and pension increases. Other significant changes are as follows:

- ◆ A change in the formula for allocating maintenance and related facility costs will result in a \$385,550 transfer from the General Services Department.
- ◆ Efficiency improvements will be accomplished through the transfer of Auto Stores to the General Services department including \$283,080 and ten positions.
- ◆ Completion of the Online Procurement Integration System (OPIS) will result in a decrease of \$154,190.
- ◆ Completion of projects and acquisitions begun in Fiscal Year 2004 will be funded through a \$119,430 carryforward.

PROCUREMENT

Significant Changes (Continued)

Fiscal Year 2006

The operating budget for Fiscal Year 2006 of \$3,464,530 reflects an increase of \$73,060 from Fiscal Year 2005. Funding has been added to ensure the recruitment and retention of employees, including merit-based raises, market-based compensation adjustments, coverage for health insurance, and pension increases.

ADMINISTRATION

MISSION STATEMENT: The Administration Division provides strategic direction and management to the department by planning, coordinating, and implementing procurement operations in accordance with applicable laws, Mayor and Council policy, and the administrative direction of the City Manager.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Manage sales of surplus city property.					
• Number of sales held	10	13	13	14	15
Support the local business community through the "Tucson First" program by using competitive procurement practices, including the tax-offset program, to award purchasing dollars to local vendors.					
• Amount of purchasing dollars awarded to local vendors (\$000s)	\$ 121,283	\$ 140,000	\$ 124,000	\$ 125,000	\$ 126,000
Key Outcomes					
Receive revenues from the sale of surplus city property.	\$ 998,665	\$ 810,000	\$ 1,000,000	\$ 1,025,000	\$ 1,035,000
Percent of purchasing dollars awarded to local vendors.	67.7%	73.0%	73.0%	73.0%	73.0%

RESOURCE SUMMARY

Position Resources	6.00	6.00	4.00	4.00	4.00
Financial Resources					
General Fund	\$ 655,351	\$ 667,060	\$ 540,220	\$ 619,120	\$ 645,010

REPROGRAPHICS

MISSION STATEMENT: The Reprographics Division provides responsive, quality, in-house reprographic services to all departments by typesetting, printing, and binding documents and reports at or below commercial prices in a timely manner.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide printing services to city departments.					
• Number of offset print jobs completed	1,934	2,710	1,600	1,650	1,675
• Number of quick print jobs completed	2,199	2,420	2,300	2,350	2,375
Key Outcomes					
Fulfill customer requirements for printing services in a cost-efficient and timely manner.					
• Percent of offset print jobs completed within ten working days of request	64%	75%	75%	75%	75%
• Percent of quick print jobs completed within two working days of request	99%	96%	96%	96%	96%

RESOURCE SUMMARY

Position Resources	11.00	10.00	10.00	10.00	10.00
Financial Resources*					
General Fund	\$ 92,489	\$ -0-	\$ (38,570)	\$ -0-	\$ -0-

*The net budget for Reprographics is zero, because costs are recovered by charging other departments for printing services through inter-activity transfers. See Appendix B for budget details.

STORES

MISSION STATEMENT: The Stores Division operates three warehouses and manages a \$1.3 million supply inventory needed for the daily operation of all city departments; provides hazardous material safety information on inventory items to city departments in the form of material safety data sheets; delivers goods on a timely basis; and disposes of city surplus material and equipment by public sale, auction, donation, or redistribution to departments.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Process and deliver requested materials to user departments and offices.					
• Number of orders delivered	3,215	4,400	3,000	3,200	3,300
Reconcile on-hand quantities for stock inventory items.					
• Number of stock items reconciled*	16,864	19,000	17,000	13,000	13,000
Key Outcomes					
Fulfill customer requirements for inventory items.					
• Percent processed and delivered within three working days of request	99%	96%	99%	97%	98%
Limit the amount of losses through the reconciliation of inventory.					
• Value of inventory (\$000s)*	\$ 1,799	\$ 1,800	\$ 2,230	\$ 1,300	\$ 1,400
• Percent of inventory losses	.035%	.050%	.040%	.050%	.050%

RESOURCE SUMMARY

Position Resources	27.00	26.00	26.00	16.00	16.00
Financial Resources					
General Fund	\$ 1,150,684	\$ 909,590	\$ 804,070	\$ 984,910	\$ 989,890

*Auto Stores is transferred to General Services in Fiscal Year 2005 including ten positions. This results in reductions in various measures. The reduction to the budget of \$283,080 is offset by the transfer of maintenance and facility costs from General Services.

SERVICES CONTRACTING

MISSION STATEMENT: The Services Contracting Division meets the needs of city departments by contracting for professional and non-professional services, ensuring that all contracts are solicited, evaluated, awarded, and administered in accordance with applicable federal, state, and local laws.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Contract for professional and non-professional services.*	110	120	50	50	50
Award purchase orders.*	900	800	600	575	575
Key Outcomes					
Ensure integrity in the expenditure of public monies by acquiring needed materials and services on time and at best value.					
• Percent of contracts issued within the department standard of 120 calendar days**	N/A	N/A	N/A	85%	85%
• Percent of purchase orders issued within the department standard of 28 calendar days**	N/A	N/A	N/A	90%	90%

*Purchase orders have decreased due to citywide/multi-use and renewable term purchase orders.

**Information not available until Online Procurement Integration System (OPIS) upgrade is complete.

RESOURCE SUMMARY

Position Resources	10.00	10.00	10.00	10.00	10.00
Financial Resources					
General Fund	\$ 489,021	\$ 632,870	\$ 570,050	\$ 803,730	\$ 729,250

MAIL SERVICES

MISSION STATEMENT: The Mail Services Division provides centralized pickup and delivery service for interdepartment and postal mail to city departments. The division also provides for the insertion of water bills, business license statements, and various other bills.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Provide mail services for city departments.					
• Number of pieces - outgoing barcoded postal mail (000s)	N/A	N/A	840	1,040	1,050
• Number of pieces - outgoing postal mail (000s)	5,845	5,600	5,850	5,910	5,970
• Number of water bills processed (000s)	2,745	2,950	2,880	2,900	2,930
Key Outcomes					
Save three cents per piece by barcoding postal mail.					
• Amount saved	N/A	N/A	\$ 25,200	\$ 30,000	\$ 31,200

RESOURCE SUMMARY

Position Resources	6.00	6.00	6.00	6.00	6.00
Financial Resources					
General Fund	\$ 243,527	\$ 250,130	\$ 161,940	\$ 301,260	\$ 369,610

PURCHASING

MISSION STATEMENT: The Purchasing Division purchases all supplies, materials, equipment, and related services needed by customer departments and offices; and ensures that all purchases are solicited, evaluated, awarded, and administered in accordance with applicable federal, state, and local laws.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Award purchase orders for supplies and services.*	8,850	7,500	7,500	7,000	7,000
Award contracts for supplies and services.**	167	180	170	150	150
Key Outcomes					
Meet customer needs for materials and services on time, at the best value, and with integrity.					
• Percent of purchase orders awarded within the department standard of 28 calendar days***	N/A	N/A	N/A	90%	90%
• Percent of contracts awarded within the department standard of 120 calendar days	N/A	N/A	N/A	90%	90%

*Purchase orders have decreased due to citywide, multi-use, and blanket purchase orders.

**Process improvements, including the recent adoption of the revised Tucson Procurement Code, will decrease the number of purchase orders and contracts awarded.

***Information not available until Online Procurement Integration System (OPIS) upgrade is complete.

RESOURCE SUMMARY

Position Resources	12.00	12.00	11.00	11.00	11.00
Financial Resources					
General Fund	\$ 675,956	\$ 666,050	\$ 553,970	\$ 596,540	\$ 637,210

DESIGN AND CONSTRUCTION CONTRACTING

MISSION STATEMENT: The Design and Construction Contracting Division manages the procurement of professional consultants and contractors for the City of Tucson to ensure the provision of competent and qualified design and construction services at a fair price, and protects the public interest by maximizing each dollar spent, while complying with current laws and regulations, and providing timely, ongoing contract administration for our customers.

KEY MEASURES OF PERFORMANCE

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Key Outputs					
Award contracts for design, construction, and construction services.*	29	85	85	120	120
• Number of job order contracts awarded	N/A	N/A	N/A	18	18
• Number of construction manager at-risk contracts awarded	N/A	N/A	N/A	7	7
• Number of design build contracts awarded	N/A	N/A	N/A	1	1
Key Outcomes					
Ensure best value in the expenditure of public monies by acquiring qualified services on time and at a fair price.					
• Percent of contracts issued within the department standard of 120 calendar day from date requisition is received**	N/A	N/A	N/A	95%	95%
• Total dollar amount of projects awarded under job order contracts (millions)	N/A	N/A	N/A	\$ 1.5	\$ 1.5
• Total dollar amount of Construction Manager at-risk contracts awarded (millions)	N/A	N/A	N/A	\$ 3.5	\$ 3.5

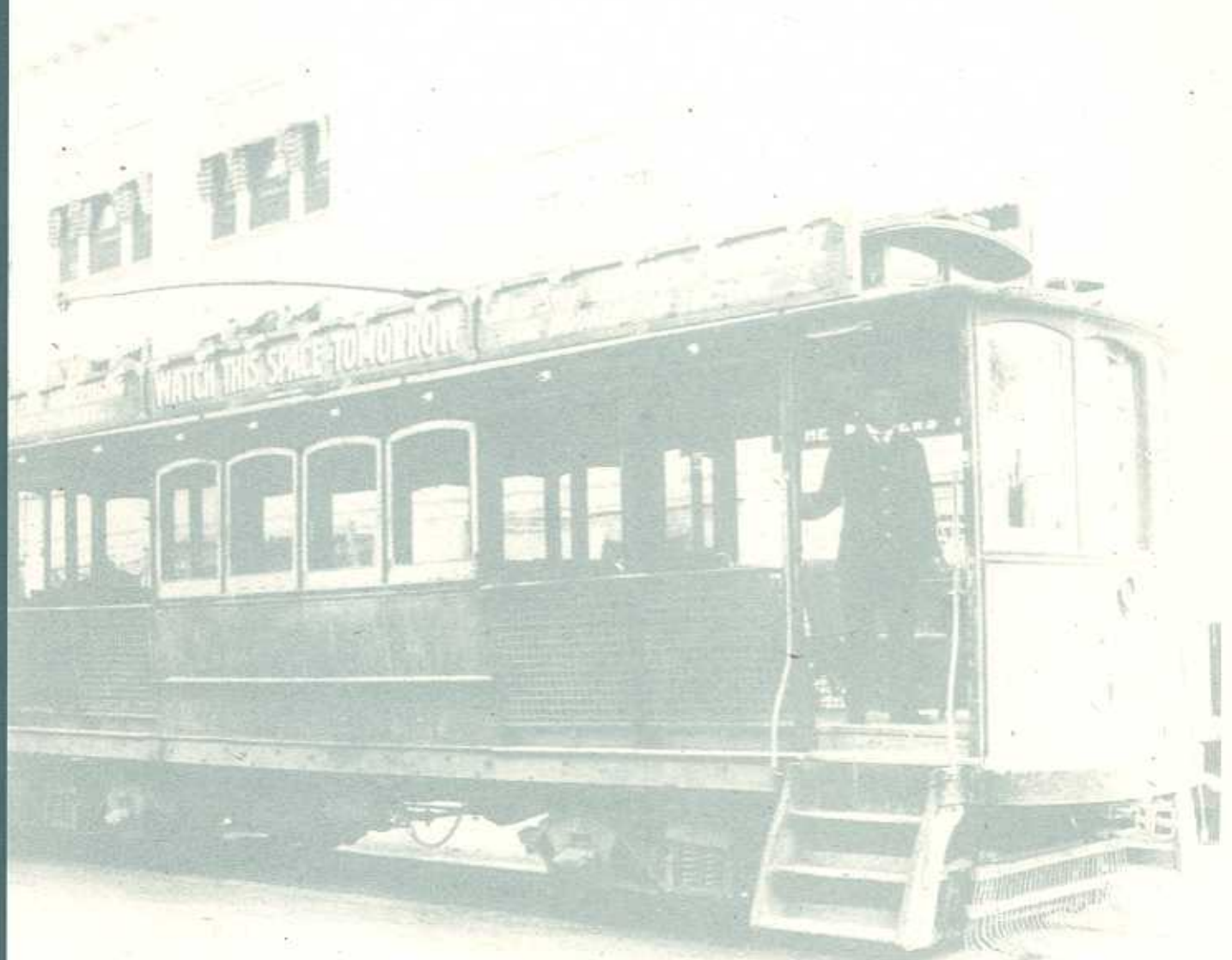
*Increase in contracts due to the division's reorganization of construction contracting.

**Information not available until Online Procurement Integration System (OPIS) upgrade is complete.

RESOURCE SUMMARY

Position Resources	5.00	5.00	8.00	8.00	8.00
Financial Resources					
General Fund	\$ 116,946	\$ 64,460	\$ 247,930	\$ 85,910	\$ 93,560

NON-DEPARTMENTAL



NON-DEPARTMENTAL

The Non-Departmental category contains program budgets that cannot be associated with any specific department. These programs are Outside Agencies, General Expense, and Debt Service.

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
General Expense	5.75	4.75	7.75	4.75	4.75
Total	5.75	4.75	7.75	4.75	4.75

FINANCIAL SUMMARY

Outside Agencies	\$ 6,689,552	\$ 7,553,340	\$ 7,549,430	\$ 3,723,490	\$ 3,723,490
General Expense	1,683,301	1,742,820	1,490,720	6,697,750	4,888,930
Debt Service	41,530,340	52,414,030	50,814,030	48,242,650	57,436,340
Contingency Fund	-0-	46,970	-0-	-0-	-0-
Operating Total	49,903,193	61,757,160	59,854,180	58,663,890	66,048,760
Capital Improvements	7,989,723	18,700,300	7,056,580	18,693,100	-0-
Total	\$ 57,892,916	\$ 80,457,460	\$ 66,910,760	\$ 77,356,990	\$ 66,048,760

CHARACTER OF EXPENDITURES

Personal Services	\$ 1,778,424	\$ 2,557,700	\$ 3,871,980	\$ 3,519,330	\$ 3,848,900
Services	4,426,664	2,384,680	3,056,010	5,154,030	5,354,670
Commodities	703,086	510,760	510,760	397,280	397,280
Equipment	359,907	900,000	549,910	-0-	-0-
Debt Service	43,477,820	53,715,170	52,115,170	48,892,480	58,025,360
Other	5,609,142	8,173,180	6,319,240	5,973,140	5,973,140
Inter-Activity Transfers	(6,451,850)	(6,484,330)	(6,568,890)	(5,272,370)	(7,550,590)
Operating Total	49,903,193	61,757,160	59,854,180	58,663,890	66,048,760
Capital Improvements	7,989,723	18,700,300	7,056,580	18,693,100	-0-
Total	\$ 57,892,916	\$ 80,457,460	\$ 66,910,760	\$ 77,356,990	\$ 66,048,760

NON-DEPARTMENTAL**Non-Departmental (Continued)**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
SOURCE OF FUNDS					
OPERATING FUNDS					
General Fund	\$ 12,131,594	\$ 11,984,250	\$ 12,168,350	\$ 16,658,390	\$ 20,598,450
General Fund: Restricted	295,000	3,260,000	909,910	1,600,730	1,600,720
Library Fund: Other Agency Contributions	51,036	-0-	-0-	-0-	-0-
Public Safety Academy Fund: Other Agency Fees	256,223	254,010	254,010	251,310	253,110
Transportation Enterprise Area Management (TEAM)/ ParkWise Fund	105,280	102,080	102,080	585,460	582,060
Capital Agreement Fund: Pima Association of Governments	800,000	4,400,000	4,400,000	800,000	1,300,000
Highway User Revenue Fund	2,163,056	1,440,840	1,571,350	749,110	1,083,420
Community Development Block Grant Fund	46,510	37,960	37,960	37,930	37,930
General Obligation Bond Debt Service Fund	19,241,890	23,055,320	23,055,320	21,336,520	23,098,280
Street and Highway Revenue Bond Debt Service Fund	14,585,180	16,294,550	16,294,550	16,548,380	17,398,730
Public Housing Conventional/ Development Fund	2,570	2,570	2,570	2,570	2,570
Public Housing Section 8 Fund	136,025	117,690	117,690	85,610	85,610
H.O.M.E. Program	9,660	7,890	7,890	7,880	7,880
Federal Highway Administration Grants	-0-	800,000	800,000	-0-	-0-
Miscellaneous Federal Grants	4,975	-0-	-0-	-0-	-0-
Miscellaneous Non-Federal Grants	74,194	-0-	132,500	-0-	-0-
Operating Funds Total	\$ 49,903,193	\$ 61,757,160	\$ 59,854,180	\$ 58,663,890	\$ 66,048,760
CAPITAL FUNDS					
General Fund	\$ 467,468	\$ 850,000	\$ 2,461,100	\$ 800,000	\$ -0-
General Fund: Restricted	-0-	1,000,000	1,500,000	-0-	-0-
General Fund: Restricted Trust Reserves	5,814,877	6,650,000	831,180	-0-	-0-
Certificates of Participation TEAM/ParkWise Fund	720,039	10,200,300	2,264,300	7,553,100	-0-
TEAM: Certificates of Participation	-0-	-0-	-0-	840,000	-0-
1965 and 1973 General Obligation Bond Funds	-0-	-0-	-0-	9,500,000	-0-
	987,339	-0-	-0-	-0-	-0-
Capital Funds Total	\$ 7,989,723	\$ 18,700,300	\$ 7,056,580	\$ 18,693,100	\$ -0-
Total	\$ 57,892,916	\$ 80,457,460	\$ 66,910,760	\$ 77,356,990	\$ 66,048,760

OUTSIDE AGENCIES*

The Outside Agencies program supports organizations that provide for economic development, cultural enrichment, community health and safety, Mayor and Council appointed commissions, annual community events, as well as funding for the Tucson Community Cable Corporation (Access Tucson) and payments to other governments.

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
FINANCIAL SUMMARY					
Payments to Other Governments	\$ 1,070,304	\$ 1,129,400	\$ 1,129,400	\$ 1,129,400	\$ 1,129,400
Economic Development	3,050,800	3,994,580	3,994,580	662,580	662,580
Cultural Enrichment	1,156,219	1,070,000	1,070,000	904,190	904,190
Community Health and Safety	212,370	189,010	189,010	189,010	189,010
Mayor and Council Appointed Commissions	24,749	27,040	23,130	27,040	27,040
Annual Community Events	92,250	82,110	82,110	50,070	50,070
Tucson Community Cable Corporation (Access Tucson)	1,082,860	1,061,200	1,061,200	761,200	761,200
Program Total	\$ 6,689,552	\$ 7,553,340	\$ 7,549,430	\$ 3,723,490	\$ 3,723,490

CHARACTER OF EXPENDITURES

Services	787,860	701,200	701,200	401,200	401,200
Commodities	295,000	360,000	360,000	360,000	360,000
Other	5,606,692	6,492,140	6,488,230	2,962,290	2,962,290
Program Total	\$ 6,689,552	\$ 7,553,340	\$ 7,549,430	\$ 3,723,490	\$ 3,723,490

SOURCE OF FUNDS

General Fund	\$ 6,292,902	\$ 7,092,760	\$ 7,088,850	\$ 3,262,910	\$ 3,262,910
General Fund: Restricted	295,000	360,000	360,000	360,000	360,000
Highway User Revenue Fund	101,650	100,580	100,580	100,580	100,580
Program Total	\$ 6,689,552	\$ 7,553,340	\$ 7,549,430	\$ 3,723,490	\$ 3,723,490

*Budget detail for these agencies is presented in a separate volume, *Outside Agencies - Recommended Biennial Budget, Fiscal Years 2005 and 2006*.

NON-DEPARTMENTAL

Outside Agencies (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
PROGRAM SUMMARIES					
Payments to Other Governments					
Pima Animal Control Center	\$ 740,224	\$ 825,500	\$ 825,500	\$ 825,500	\$ 825,500
Pima Association of Governments	293,630	271,450	271,450	271,450	271,450
Victim Witness Program	36,450	32,450	32,450	32,450	32,450
Program Sub-Total	\$ 1,070,304	\$ 1,129,400	\$ 1,129,400	\$ 1,129,400	\$ 1,129,400
Economic Development					
Tucson Downtown Alliance*	\$ 322,000	\$ 332,000	\$ 332,000	\$ -0-	\$ -0-
Greater Tucson Economic Council	540,000	510,300	510,300	510,300	510,300
Southern Arizona Tech Council	126,000	119,070	119,070	119,070	119,070
Microbusiness Advancement Center	37,800	33,210	33,210	33,210	33,210
Metropolitan Tucson Convention and Visitors Bureau*	2,025,000	3,000,000	3,000,000	-0-	-0-
Program Sub-Total	\$ 3,050,800	\$ 3,994,580	\$ 3,994,580	\$ 662,580	\$ 662,580
Cultural Enrichment					
Tucson-Pima Arts Council	\$ 731,250	\$ 691,030	\$ 691,030	\$ 691,030	\$ 691,030
Tucson Arts District Partnership**	186,300	165,810	165,810	-0-	-0-
El Centro Cultural de las Americas	12,679	12,020	12,020	12,020	12,020
Tucson Botanical Gardens	60,750	54,070	54,070	54,070	54,070
Sister Cities Association of Tucson	16,200	14,420	14,420	14,420	14,420
Tucson Museum of Art	96,390	85,790	85,790	85,790	85,790
Tucson Children's Museum	52,650	46,860	46,860	46,860	46,860
Program Sub-Total	\$ 1,156,219	\$ 1,070,000	\$ 1,070,000	\$ 904,190	\$ 904,190

*Funding for Tucson Downtown Alliance (\$332,000 for Fiscal Year 2005 and 2006) and The Metropolitan Tucson Convention and Visitors Bureau (\$3,100,000 for Fiscal Year 2005 and \$3,308,180 for Fiscal Year 2006) has been transferred to the General Expense section of the Non-Departmental budget.

**Funding for Tucson Arts District Partnership (\$165,810) was reallocated to City Co-Sponsored Events in the General Expense Budget.

Outside Agencies (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Community Health and Safety					
Community Safety/Crime Prevention Association	\$ 16,830	\$ 14,980	\$ 14,980	\$ 14,980	\$ 14,980
Community Mediation Program	61,610	54,830	54,830	54,830	54,830
88-Crime	18,630	16,580	16,580	16,580	16,580
Pima County/Tucson Women's Commission	58,150	51,750	51,750	51,750	51,750
Metropolitan Education Commission	36,900	32,840	32,840	32,840	32,840
Humane Society of Southern Arizona	20,250	18,030	18,030	18,030	18,030
Program Sub-Total	<u>\$ 212,370</u>	<u>\$ 189,010</u>	<u>\$ 189,010</u>	<u>\$ 189,010</u>	<u>\$ 189,010</u>
Mayor and Council Appointed Commissions					
Human Relations Commission	\$ 5,520	\$ 4,920	\$ 4,920	\$ 4,920	\$ 4,920
Tucson-Pima Historical Commission	8,070	7,210	7,210	7,210	7,210
Tucson Commission on Disability Issues	3,059	3,790	3,790	3,790	3,790
Metropolitan Tucson Commission on Urban Native American Affairs	-0-	3,910	-0-	3,910	3,910
Metropolitan Energy Commission	8,100	7,210	7,210	7,210	7,210
Program Sub-Total	<u>\$ 24,749</u>	<u>\$ 27,040</u>	<u>\$ 23,130</u>	<u>\$ 27,040</u>	<u>\$ 27,040</u>
Annual Community Events					
Southern Arizona Regional Science and Engineering Fair	\$ 9,000	\$ 8,010	\$ 8,010	\$ 8,010	\$ 8,010
Pima Community College Job Fair	10,800	9,610	9,610	9,610	9,610
Fort Lowell Soccer Shoot-Out***	11,700	10,410	10,410	-0-	-0-
Tucson Gem and Mineral Society	36,450	32,450	32,450	32,450	32,450
Perimeter Bicycling Association of America (El Tour de Tucson)***	24,300	21,630	21,630	-0-	-0-
Program Sub-Total	<u>\$ 92,250</u>	<u>\$ 82,110</u>	<u>\$ 82,110</u>	<u>\$ 50,070</u>	<u>\$ 50,070</u>

***Funding for the Fort Lowell Soccer Shoot-Out (\$10,410) and El Tour de Tucson (\$21,630) has been moved to City Co-Sponsored Events in the General Expense budget.

NON-DEPARTMENTAL

Outside Agencies (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Other Agencies					
Tucson Community Cable Corporation (Access Tucson)	\$ 1,082,860	\$ 1,061,200	\$ 1,061,200	\$ 761,200	\$ 761,200
Program Sub-Total	\$ 1,082,860	\$ 1,061,200	\$ 1,061,200	\$ 761,200	\$ 761,200
Total All Outside Agencies	\$ 6,689,552	\$ 7,553,340	\$ 7,549,430	\$ 3,723,490	\$ 3,723,490

SIGNIFICANT CHANGES

Fiscal Year 2005

The adopted operating budget for Fiscal Year 2005 of \$3,723,490 reflects a decrease of \$3,829,850 from the Fiscal Year 2004 Adopted Budget. This decrease is primarily due to transferring the funding for the Metropolitan Tucson Convention and Visitors Bureau (\$3,100,000) and the Tucson Downtown Alliance (\$332,000) to the Non-Departmental, General Expense budget. As part of a consolidated program for city co-sponsored events, the funding for El Tour de Tucson (\$21,630) and the Fort Lowell Soccer Shoot-out (\$10,410) has been transferred to the Non-Departmental, General Expense budget to fund the City Co-Sponsored Events program. Unallocated arts funding (\$165,810) was also transferred to the General Expense budget. Funding for Access Tucson was decreased \$300,000 with an understanding that \$150,000 in funding may be restored through collaboration and efficiencies realized by working with Channel 12.

Fiscal Year 2006

The adopted operating budget for Fiscal Year 2006 of \$3,723,490 reflects no change from the Fiscal Year 2005 adopted operating budget.

GENERAL EXPENSE

The General Expense program provides centralized budget capacity and accounting and management control for expenditures that are not directly associated with programs of city departments. The Retiree Medical Insurance budget has been included in this program.

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
POSITION SUMMARY					
PERMANENT					
General Expense*	5.75	4.75	7.75	4.75	4.75
Program Total	5.75	4.75	7.75	4.75	4.75

FINANCIAL SUMMARY

Geographical Information Systems	\$ 7,279	\$ 80,420	\$ 80,420	\$ 80,420	\$ 80,420
Other General Government Expense	1,886,876	1,198,000	1,436,950	1,595,500	1,601,220
Cultural/Educational Youth Travel	18,000	-0-	-0-	-0-	-0-
A-7 Grant Funded Projects*	117,974	-0-	202,190	-0-	-0-
A-7 Ranch Operations*	213,571	-0-	210,740	-0-	-0-
Tucson Convention Center Switchgear Project	693,701	900,000	549,910	-0-	-0-
Transfers from Contingency Fund	163,393	-0-	32,380	12,190	-0-
Other General Expenditures	-0-	2,000,000	-0-	3,655,000	2,000,000
Rio Nuevo Project Staff**	-0-	-0-	-0-	-0-	-0-
Oro Valley Library Reimbursement	51,036	-0-	-0-	-0-	-0-
Golf Reimbursement Fund	100,516	101,650	101,650	98,600	95,460
Quality Lease & Development	192,949	-0-	-0-	-0-	-0-
Indirect Cost	(4,504,370)	(4,639,490)	(4,639,490)	(5,778,680)	(6,422,040)
Administrative Support-Highway User Revenue Fund	124,576	161,190	161,190	310,750	327,930
Budget Unallocated	-0-	42,000	-0-	-0-	-0-
Qwest Fee	435,003	-0-	400,000	-0-	-0-
El Con Property	44,666	-0-	-0-	-0-	-0-
Rio Nuevo Housing Site	267,106	-0-	-0-	-0-	-0-
Receivables Write-Off	239,750	-0-	-0-	-0-	-0-
Back to School Bash	-0-	-0-	-0-	2,000	-0-
Senior Women's Conference	-0-	-0-	-0-	400	-0-
City Co-Sponsored Events	-0-	-0-	-0-	405,850	405,850
Metropolitan Tucson Convention and Visitors Bureau (MTCVB)	-0-	-0-	-0-	3,100,000	3,308,180
Downtown Tucson Alliance	-0-	-0-	-0-	332,000	332,000
Retiree Medical Insurance	1,631,275	1,899,050	2,954,780	2,883,720	3,159,910
Program Total	\$ 1,683,301	\$ 1,742,820	\$ 1,490,720	\$ 6,697,750	\$ 4,888,930

*Funding for the A-7 Ranch, with 3 grant funded positions, was not included in the Fiscal Year 2004 Adopted Budget; however, the ranch continues to operate.

**Expenses transferred to Rio Nuevo non-city funds.

NON-DEPARTMENTAL**General Expense (Continued)**

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
CHARACTER OF EXPENDITURES					
Personal Services	\$ 1,778,424	\$ 2,557,700	\$ 3,871,980	\$ 3,519,330	\$ 3,848,900
Services	3,638,804	1,683,480	2,354,810	4,752,830	4,953,470
Commodities	408,086	150,760	150,760	37,280	37,280
Equipment	359,907	900,000	549,910	-0-	-0-
Other	2,450	1,634,070	(168,990)	3,010,850	3,010,850
Inter-Activity Transfers	(4,504,370)	(5,183,190)	(5,267,750)	(4,622,540)	(6,961,570)
Program Total	\$ 1,683,301	\$ 1,742,820	\$ 1,490,720	\$ 6,697,750	\$ 4,888,930

SOURCE OF FUNDS

General Fund	\$ 1,428,520	\$ (1,318,370)	\$ 516,610	\$ 5,387,000	\$ 3,561,000
General Fund: Restricted	-0-	2,900,000	549,910	1,000,000	1,000,000
Library Fund: Other Agency Contributions	51,036	-0-	-0-	-0-	-0-
Highway User Revenue Fund	124,576	161,190	291,700	310,750	327,930
Miscellaneous Federal Grants	4,975	-0-	-0-	-0-	-0-
Miscellaneous Non-Federal Grants	74,194	-0-	132,500	-0-	-0-
Program Total	\$ 1,683,301	\$ 1,742,820	\$ 1,490,720	\$ 6,697,750	\$ 4,888,930

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted operating budget for Fiscal Year 2005 of \$6,697,750 reflects an increase of \$4,954,930 from the Fiscal Year 2004 Adopted Budget. Most of this increase is due to the transfer of funding for the Metropolitan Tucson Convention and Visitors Bureau and the Tucson Downtown Alliance from the Outside Agencies budget to the General Expense budget. Other significant increases include:

- ◆ An increase in retiree medical insurance due to early retirement incentives offered during Fiscal Year 2003, as well as increased premiums.
- ◆ Consolidation of a program for city co-sponsored events which includes the transfer of \$197,850 from Outside Agencies.
- ◆ Carryforward to complete contingency fund allocations.
- ◆ A funding set aside to offset lost revenue anticipated from deferring the start up of the new residential refuse fee to August 1st.
- ◆ Completion of the Tucson Convention Center switchgear replacement project begun during Fiscal Year 2004.

Fiscal Year 2006

The adopted operating budget for Fiscal Year 2006 of \$4,888,930 includes a decrease of \$1,808,820 from Fiscal Year 2005. This decrease is primarily due to the one-time set aside in Fiscal Year 2005 to cover lost residential refuse fee revenues that is not required for Fiscal Year 2006.

DEBT SERVICE
(Excluding Environmental Services, Tucson City Golf and Tucson Water*)

The Debt Service program manages debt issuance and payments to meet the approved capital needs of the city, while maintaining strong bond ratings and a low-to-moderate debt burden for taxpayers.

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
FINANCIAL SUMMARY					
Highway Expansion and Extension Loan Program	\$ 896,030	\$ 6,379,070	\$ 6,379,070	\$ 849,470	\$ 1,318,920
Business Development Finance Corporation Fixed Rate Debt	652,998	659,430	659,430	1,693,410	1,687,670
Hi Corbett Field Debt Service	906,450	907,510	907,510	907,130	909,970
Lease Purchases Debt Service	406,893	332,600	332,600	321,310	376,290
Certificates of Participation Debt Service	4,837,219	4,779,550	3,179,550	6,580,430	12,640,480
General Obligation Debt Service	19,241,890	23,055,320	23,055,320	21,336,520	23,098,280
Street and Highway Debt Service	14,585,180	16,294,550	16,294,550	16,548,380	17,398,730
Assessment Districts	3,680	6,000	6,000	6,000	6,000
Program Total	\$ 41,530,340	\$ 52,414,030	\$ 50,814,030	\$ 48,242,650	\$ 57,436,340

CHARACTER OF EXPENDITURES

Personal Services					
Debt Service	43,477,820	53,715,170	52,115,170	48,892,480	58,025,360
Inter-Activity Transfers	(1,947,480)	(1,301,140)	(1,301,140)	(649,830)	(589,020)
Program Total	\$ 41,530,340	\$ 52,414,030	\$ 50,814,030	\$ 48,242,650	\$ 57,436,340

*See Tucson City Golf detail on page 156, Environmental Services detail on page 178, and Tucson Water detail on page 216.

NON-DEPARTMENTAL

Debt Service (Continued)

	Actual FY 2003	Adopted FY 2004	Estimated FY 2004	Adopted FY 2005	Approved FY 2006
Financial Resources					
General Fund	\$ 4,410,172	\$ 6,162,890	\$ 4,562,890	\$ 8,008,480	\$ 13,774,540
General Fund: Restricted	-0-	-0-	-0-	240,730	240,720
Public Safety Academy Fund: Other Agency Fees	256,223	254,010	254,010	251,310	253,110
TEAM / Parkwise Fund	105,280	102,080	102,080	585,460	582,060
Capital Agreement Fund: Pima Association of Governments	800,000	4,400,000	4,400,000	800,000	1,300,000
Highway User Revenue Fund	1,936,830	1,179,070	1,179,070	337,780	654,910
Community Development Block Grant Fund	46,510	37,960	37,960	37,930	37,930
General Obligation Bond Debt Service Fund	19,241,890	23,055,320	23,055,320	21,336,520	23,098,280
Street and Highway Revenue Bond Debt Service Fund	14,585,180	16,294,550	16,294,550	16,548,380	17,398,730
Public Housing Conventional/Development Fund	2,570	2,570	2,570	2,570	2,570
Public Housing Section 8 Fund	136,025	117,690	117,690	85,610	85,610
H.O.M.E. Grants	9,660	7,890	7,890	7,880	7,880
Federal Highway Administration Grants	-0-	800,000	800,000	-0-	-0-
Program Total	\$ 41,530,340	\$ 52,414,030	\$ 50,814,030	\$ 48,242,650	\$ 57,436,340

SIGNIFICANT CHANGES**Fiscal Year 2005**

The adopted budget for Fiscal Year 2005 of \$48,242,650 reflects a decrease of \$4,171,380 from the Fiscal Year 2004 Adopted Budget. Significant changes include the following:

- ◆ All projects from the state's Highway Expansion and Extension Loan Program (HELP), with the exception of the street project from Ajo Way to the Rodeo Grounds, have been postponed, decreasing annual repayments by \$5.5 million.
- ◆ General obligation bonds used for environmental service projects will be repaid from the Environmental Services Enterprise Fund established in Fiscal Year 2005, reducing General Fund debt service by \$1.9 million.
- ◆ Additional certificates of participation to be sold for new projects and equipment increase debt service by \$1.7 million.
- ◆ Principal payments for Business Development Finance Corporation debt service increased \$1 million due to maturing securities.

Debt Service - Significant Changes (Continued)**Fiscal Year 2006**

The adopted budget for Fiscal Year 2006 of \$57,436,340 reflects an increase of \$9,193,690 from Fiscal Year 2005 primarily due to the following:

- ◆ Additional certificates of participation to be issued for new projects and equipment increases funding by \$6.4 million.
- ◆ The debt service for a new sale of general obligation bonds in 2005 will have annual payments of \$1.7 million.
- ◆ Debt service for street and highway revenue bonds increased \$850,000 based on new sales and repayment schedules.

DEBT FINANCING MECHANISMS**Highway Expansion and Extension Loan Program**

This funding mechanism, commonly referred to as the state's infrastructure bank, was enacted into law in August 1998. The Highway Expansion and Extension Loan Program (HELP) provides the state and Arizona communities financial assistance in the form of loans or credit enhancements for eligible roadway projects. Interest rates are generally below market rates, and the term of the loan varies from project to project.

Business Development Finance Corporation Fixed Rate Debt

The collateral for this debt is the Tucson Police Headquarters, the Information Technology building, and the City Court building. A surety bond is also posted. This debt matures at various times through 2012 with an estimated average interest rate of 5.75%. In Fiscal Year 2003, repayment for Tucson Convention Center debt was transferred to Rio Nuevo.

Hi Corbett Field Debt Service

Debt service for assumption of Pima County's debt for Hi Corbett Field improvements, additional Hi Corbett improvements made in Fiscal Year 1997, and related costs and reserves financed at a net interest rate of 5.35% with an average life of 15 years.

Lease Purchases Debt Service

Debt service on lease-purchase financing for police cars, telephone equipment, computer hardware, and office equipment.

Certificates of Participation Debt Service

Previously financed projects include acquisition of equipment and construction of facilities. The Fiscal Year 2005 and 2006 budgets include capacity for new debt financing of the emergency communication system, the Pennington Street Garage, and a police substation.

General Obligation Debt Service

Debt service on general obligation bonds used for capital improvements is financed entirely from the secondary property tax.

Street and Highway Debt Service

Debt service on street and highway bonds used for street improvements is financed from the state-shared gasoline taxes and highway user fees and charges.

Assessment Districts

This cost is for fees associated with the assessment districts.

NON-DEPARTMENTAL

Debt Service (Continued)

DEBT SERVICE - EXISTING BONDS (AS OF JULY 1, 2003)* PRINCIPAL AND INTEREST						
Fiscal Year Ending	Business Development Finance Corporation	Hi Corbett Field Certificates of Participation	Other Certificates of Participation	General Obligation Bonds**	Street and Highway Bonds	Total
2004	\$ 644,427	\$ 901,505	\$ 4,899,652	\$ 22,101,640	\$ 13,388,771	\$ 41,935,995
2005	1,678,408	901,130	3,728,320	21,936,896	15,794,425	44,039,179
2006	1,672,667	903,965	2,966,210	21,922,592	16,287,325	43,752,759
2007	1,674,993	904,409	2,969,243	22,427,865	16,221,060	44,197,570
2008	1,678,672	902,042	2,561,378	23,054,900	16,189,030	44,386,022
2009	1,673,373	902,120	2,563,216	23,280,710	16,384,485	44,803,904
2010	1,675,598	903,020	2,624,026	23,381,510	16,421,000	45,005,154
2011	1,673,438	901,540	1,434,211	23,482,072	15,895,425	43,386,686
2012	1,676,000	-0-	1,432,771	23,696,030	15,737,900	42,542,701
2013	-0-	-0-	530,294	23,706,993	14,079,375	38,316,662
2014	-0-	-0-	533,354	23,217,880	13,758,375	37,509,609
2015	-0-	-0-	530,054	23,783,855	13,690,687	38,004,596
2016	-0-	-0-	525,821	24,871,733	13,624,063	39,021,617
2017	-0-	-0-	530,446	25,766,338	11,010,813	37,307,597
2018	-0-	-0-	528,490	26,950,863	11,094,563	38,573,916
2019	-0-	-0-	530,477	27,619,563	-0-	28,150,040
2020	-0-	-0-	531,161	28,307,513	-0-	28,838,674
2021	-0-	-0-	195,545	17,031,425	-0-	17,226,970
Total	\$ 14,047,576	\$ 7,219,731	\$ 29,614,669	\$ 426,540,378	\$ 219,577,297	\$ 696,999,651

*Does not include indebtedness of enterprise funds (Tucson Water and Tucson City Golf).
 ** Includes indebtedness of proposed Environmental Services Fund.

DEBT MANAGEMENT POLICY

The City of Tucson uses a variety of financing mechanisms to meet the long-term capital needs of the community. In determining an appropriate indebtedness program for the city, consideration is given to the following:

- Operating and maintenance costs associated with the Capital Improvement Program
- Federal and state laws and regulations, Tucson City Charter, and the Tucson Code
- Current outstanding debt requirements
- Source of debt repayment consistent with the capital project being financed
- Life of the capital project is equal to or greater than the term of the financing
- Proposed debt will not cause extraordinary tax or fee increases
- Proposed debt will not result in limiting the city's ability for future indebtedness

The city's debt program includes the following financing mechanisms. In all cases, the city aggressively manages the debt program, with the assistance of a financial advisor and bond counsel. Restructuring, refinancing, and advance bond refunding are used to limit the city's debt service costs and to provide maximum future borrowing flexibility.

General Obligation Bonds

Bond proceeds are used to finance capital projects for environmental management, police, fire, parks and recreation, library, solid waste management, drainage, and other purposes. State law limits the amount of general obligation bonds that may be outstanding to 20% of assessed valuation for utility and open space purposes and 6% of assessed valuation for all other purposes.

General obligation bonds are payable by the secondary property tax. The Tucson City Charter limits the combined primary and secondary property tax rate to \$1.75 per \$100 of assessed valuation. To provide assurance to the bond rating agencies, the combined tax rate is held to a maximum of \$1.50 per \$100 of assessed valuation. The city generally issues general obligation bonds with 20-30 year maturities.

Street and Highway Revenue Bonds

Bond proceeds are used to finance street improvement projects as defined by state law. State law limits the amount of bonds that can be sold; prior fiscal year highway user revenue receipts, which are used to pay the bonds, must be equal to at least twice the highest annual debt service requirements for senior lien bonds and at least one and one-half times for junior lien bonds. Street and highway revenue bonds generally have a 20-year maturity.

Water Revenue Bonds

Bond proceeds are used to finance capital improvements to the water system. By bond covenant, the city is limited to issuing bonds only if net revenues after operations are equal to at least 120% of the maximum future annual debt service requirement. To maintain a high credit rating and thus decrease borrowing costs, the city maintains a 150% - 200% debt service coverage. Water revenue bonds are generally issued with 20-30 year maturities.

Special Assessment Bonds

Bond proceeds are used to finance improvement district projects. These bonds are payable by tax assessments against the benefiting property owners over a ten-year period.

Non-Bond Debt: Lease Purchases, Certificates of Participation, and Installment Contract Debt

These financing mechanisms are used when the projects involved are unsuitable for traditional bonding or a determination is made that alternative financing has advantages over bonding. The debt requirements for these financing mechanisms are payable from the city's recurring revenues and are subject to annual appropriation by the Mayor and Council. To minimize borrowing costs, the city generally purchases financing insurance and pledges collateral towards the debt repayment. Maturities for these debts range from 1-20 years, depending upon the nature of the project being financed.

Debt Management Policy (Continued)

Forecast

1994 Bond Authorization Sales: On May 17, 1994, the voters approved \$80,900,000 of general obligation bonds and \$114,502,000 of water system revenue bonds to be sold over a projected five-year period and \$70,000,000 of street and highway revenue bonds to be sold over a ten-year period. As of July 1, 2001, the city had sold all of the authorized general obligation bonds, water system revenue bonds, and street and highway revenue bonds.

2000 Bond Authorization Sales: On May 16, 2000, the voters approved \$129,500,000 of general obligation bonds, \$123,600,000 of water revenue bonds, and \$25,000,000 of street and highway revenue bonds, all to be sold over a five-year period. As of July 1, 2003, the city had sold \$75,360,000 of general obligation bonds, \$35,500,000 in street and highway revenue bonds, and \$96,338,000 in water system revenue bonds.

Repayment Impact of Bond Sales: General obligation bond debt is paid off from the secondary property tax rate, which is determined each year by the levy required to meet the annual debt service divided by the city's projected secondary assessed valuation. For Fiscal Year 2005, the required levy to cover existing debt and debt from planned sales is estimated at \$21,336,520, a decrease of \$1,718,800 over the levy for Fiscal Year 2004. The decrease is due to the debt service on outstanding bonds for Environmental Services being defrayed by the proposed Environmental Services Fund. However, the debt service on these bonds remains guaranteed by the secondary property tax levy. The Fiscal Year 2005 secondary property rate is estimated at \$0.8316 per \$100 of assessed valuation, a decrease of \$0.1164 from the Fiscal Year 2004 actual rate of \$0.948. The actual rate for Fiscal Year 2005 may be higher or lower depending on the final secondary assessed valuation set by Pima County later this summer.

Street and highway revenue bonds are repaid from state-shared Highway User Revenue Fund receipts. Repayment from this source in Fiscal Year 2005 will be \$13,388,771, a decrease of \$2,905,779 from the adopted budget for Fiscal Year 2004.

Water system revenue bonds are repaid from water revenues; that debt service is included in the Tucson Water budget under Other Budgetary Requirements.

Debt financing in the Golf Utility is repaid from golf revenues; that debt service is included in the Tucson City Golf budget under Debt Service.

Debt Management Policy (Continued)

Summaries of the city's legal debt margin, direct and overlapping debt, current bond ratings, and debt ratios over a ten-year period are provided in the following tables.

LEGAL DEBT MARGIN			
June 30, 2003			
(unaudited)			
(\$000s)			
		General Obligation Bonds	
		Other Purposes	Utility Purpose
		6%	and Open Spaces
			20%
<hr/>			
Assessed Valuation - \$2,268,733			
Debt Limitation		\$ 136,124	\$ 453,747
Total Bonded Debt	\$ 758,754		
Less Bonds Excluded from Limitation:			
Street and Highway	153,545		
Water Utility Revenue Bonds	333,665		
Special Assessment Bonds	4,555		
	<hr/>		
Debt Subject to Limitation	\$ 266,989	\$ 84,671	\$ 182,318
		<hr/>	<hr/>
Legal Debt Margin		\$ 51,453	\$ 271,429
		<hr/>	<hr/>
<p>The legal debt margin is calculated in conformity with Article 9, Section 8, Constitution of Arizona. The amount of general obligation bonded debt which may be issued and outstanding is limited to a fixed percent of assessed valuation which is set at 20% for utility purpose and open space, and 6% for other purposes.</p>			

Debt Management Policy (Continued)

DIRECT AND OVERLAPPING DEBT FOR FISCAL YEAR 2003				
	Amount (\$000s)	Ratio of Debt to		Debt per Capita
		Assessed Value	Market Value	
Net Direct Bonded Debt	\$ 263,794	11.60%	1.50%	\$ 511.01
Estimated Overlapping Debt	540,119	23.80%	2.00%	1,046.30
Total	<u>\$ 803,913</u>	<u>35.40%</u>	<u>3.50%</u>	<u>\$ 1,557.31</u>
The city's current bond ratings are as follows:				
Type of Bond		Moody's	Standard & Poors	
General Obligation Bonds		Aa2	AA	
Street and Highway Bonds:				
Senior Lien		Aa3	A+	
Junior Lien		A1	A	
Water Revenue Bonds				
Senior Lien		Aa3	A+	
Certificates of Participation		A1	AA-	

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
(as of June 30, 2003)**

	FISCAL YEAR									
	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Population	438,000	448,000	449,000	459,000	466,538	476,406	486,810	498,307	508,271	516,220
Assessed Value (\$000s)	1,486,797	1,546,772	1,568,514	1,598,796	1,818,909	1,875,875	1,945,168	2,048,621	2,138,461	2,268,733
Gross Bonded Debt (\$000s)	151,724	173,559	194,854	201,534	209,159	217,274	211,169	223,569	243,099	266,989
Less Debt Service Funds (\$000s)	2,199	4,476	5,056	5,517	4,012	1,586	315	1,209	1,503	3,195
Net Bonded Debt (\$000s)	149,525	169,083	189,798	196,017	205,147	215,688	210,854	222,360	241,596	263,794
Ratio of Net Bonded Debt to Assessed Value	10.1%	10.9%	12.1%	12.3%	11.3%	11.5%	10.8%	10.9%	11.3%	11.6%
Net Bonded Debt Per Capita (\$)	341.38	377.42	422.71	427.05	439.72	452.74	433.13	446.23	475.33	511.01

NON-DEPARTMENTAL**CONTINGENCY FUND**

The Contingency Fund supports funding requests made by individuals or organizations that meet specific policy guidelines and have been approved by Mayor and Council.

	Actual FY 2003	Adopted FY 2004	Estimated* FY 2004	Adopted FY 2005	Approved FY 2006
FINANCIAL SUMMARY					
Contingency Fund	\$ -0-	\$ 46,970	\$ -0-	\$ -0-	\$ -0-
Program Total	\$ -0-	\$ 46,970	\$ -0-	\$ -0-	\$ -0-
CHARACTER OF EXPENDITURES					
Other	\$ -0-	\$ 46,970	\$ -0-	\$ -0-	\$ -0-
Program Total	\$ -0-	\$ 46,970	\$ -0-	\$ -0-	\$ -0-
SOURCE OF FUNDS					
General Fund	\$ -0-	\$ 46,970	\$ -0-	\$ -0-	\$ -0-
Program Total	\$ -0-	\$ 46,970	\$ -0-	\$ -0-	\$ -0-

*When Mayor and Council approves a contingency fund allocation, the funds are transferred to a General Expense organization for disbursement.

SIGNIFICANT CHANGES**Fiscal Year 2005**

In Fiscal Year 2004 the Mayor and Council eliminated the contingency fund except for \$46,970 carried forward from Fiscal Year 2003. Carryforward of \$12,190 from Fiscal Year 2004 is budgeted in the General Expense budget for Fiscal Year 2005.

